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ABSTRACT

This document reports on a study conducted in six European countries -- Denmark, England, France, Norway, Scotland, and Sweden -- and suggests ways to implement Statewide negotiations in the United States. The author first provides an overview of negotiations in the United States and then gives a country-by-country analysis of salary negotiations. For each country the author discusses (1) the historical background of negotiations in that country, (2) negotiation issues, (3) the participants in negotiation -- professional staff and government representatives, (4) the structure of teacher associations, (5) negotiation procedures, and (6) suggested changes to the negotiation procedures. The author observes that there is a consensus among the European representatives interviewed that centralized negotiations were superior to those engaged in by individual school districts. (JF)

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CENTRALIZED NEGOTIATIONS OF SALARIES OF PROFESSIONAL STAFF IN EDUCATION

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INTRODUCTION

The incentive for this study stemmed from long and close association with the concerns of teachers, administrators and school board members relative to procedures for arriving at satisfactory agreements on salaries and fringe benefits. The reactions expressed by all groups--teachers, administrators and school board members--following nearly every negotiation period was that "there surely must be a better way." So frustrating and bitter were some negotiations that no settlement could be reached and interpersonal relationships and staff morale annually reached new lows. Any impartial analysis of this time-consuming process and its effect on the educational program and staff morale in local school districts in the U.S. demonstrated that there was ample justification for a search for a better way of salary negotiations. This search pointed to Europe, where centralized negotiation has been in effect in many countries for a varying number of years and where its practicality has been thoroughly tested.

The study of negotiation of staff salaries in education in six European countries was encouraged by the Department of Educational Administration and the School of Education of the University of Wisconsin-Madison by a leave of absence granted for that purpose and by a Graduate School grant of funds for transportation. The Department of Educational Administration also generously agreed to transcribe the information obtained in interviews and to reproduce and mail copies of the report to state-level officials and other agencies actively participating in negotiations. Six countries in Europe were selected for study--Denmark, England, France,

Norway, Scotland and Sweden. A clear consensus that centralized negotiations were definitely superior to negotiations by individual school districts was expressed in all interviews. There was no desire to return to negotiations by individual school districts and the interviewees indicated strong opposition to that concept. It was clear that those involved in the process of salary determination in European countries considered centralized negotiations a superior approach.

This publication was not conceived and developed as a scholarly research study based on rigorous analysis and documentation. Rather, its purpose was to secure broadly comparable data from six European countries on centralized negotiations judged to be of value to organizations and practitioners in the day-to-day problems of negotiations in the United States. While directed toward collection of usable information, the study was not restricted to those ideas judged acceptable in the U.S. On the contrary, concepts foreign to negotiations in the U.S. and those toward which negotiators in the U.S. are antagonistic are advanced if they have been found to be effective in foreign countries. It is hoped, however, that sufficient concepts and procedures are acceptable to permit a trial operation of centralized negotiations in at least one state. If such a trial is attempted, it may be wise initially, to provide local districts and teachers associations with the choice of either becoming a part of the statewide bargaining operation or opting for local salary determination. After a successful trial period, however, it is suggested that all districts be bound by the statewide settlement.

A study of even the present modest dimensions required the assistance and cooperation of many individuals both at home and abroad to

whom the author desires to express his deep appreciation. While not possible to cite by name the many individuals who provided assistance, a limited number who assisted in special activities can be so recognized. Included in this group are the Chairmen of the Department of Educational Administration during the period of the study, Dr. Merle E. Strong and Dr. Richard A. Rossmiller. For their suggestions, assistance and encouragement the author is deeply grateful. Dr. Rossmiller also read and made insightful suggestions on Chapter VIII, "Implications of Centralized Negotiations for the U.S." To Henry Bova, Professor of French at Beloit College, who made arrangements and served as interpreter for interviews in France, special thanks are extended.

In view of the author's long and intimate associations with school administrators and school board members, it was particularly appropriate to secure reactions of teacher representatives to the several proposals in Chapter VIII in an attempt to arrive at an impartial, balanced approach to centralized negotiations. Dix Price, Executive Secretary of the Arizona Education Association, Dr. Charles Frailey, Research Director for the Wisconsin Education Association, as well as Dr. Rossmiller, read Chapter VIII, "Implication of Centralized Negotiations for the U.S.," and made many knowledgeable suggestions and provided many penetrating reactions for which the author is grateful. Especially deserving of recognition is the secretarial staff of the Department of Educational Administration, University of Wisconsin-Madison, who undertook the tedious and often frustrating task of transcribing interviews with foreign officials from cassette recordings as well as the reproduction of the study.

Particular appreciation is due the many foreign officials who gave generously of their time--not only to explain the varied facets of their system but to react to the practicality of numerous alternatives suggested by the author. Those who gave an inordinate amount of time to the study are listed below. They are listed by departments or agencies revealing the several sources of interview data. However, the positions held are not presented since in a number of instances the position has no counterpart in the American organizational structure and in others the title translated into American terminology does not convey the high responsibility of the office held. It will be noted that a variety of judgments were secured from officials and agencies. These came from individuals working at various levels of government and in other agencies dealing with salary negotiations. The persons interviewed who provided extensive information are presented in tabular form below.

Country	Name of Official	Department or Agency
Denmark	Mr. Kjela Kierkegaard	Danmarks Laererforening (Danish Teachers Association)
"	Mr. Carl Dyrbjerg	(Danish Teachers Association)
"	Mr. H. Folmer-Skov	Ministry of Education
"	Mr. Paul Riebak	Ministry of Pension and Wages
"	Mr. Allan Nielson	Ministry of Pension and Wages
England	Sir William Alexander	Association of Education Committees
"	Mr. S. J. Barker	Teachers Branch-Ministry of Education and Science
"	Miss Florence Frost	National Union of Teachers
France	Mr. Robert Cherany	Federation of Education Nationale
"	Miss Jacquin Collette	National Ministry of Education
"	Mr. Narcel Iorg	National Ministry of Education
"	Mr. Robert Namer	National Ministry of Education
"	Miss Jeanne Penaud	Ministry of Public Functions
Norway	Mr. Ottvar Lie	Ministry of Church and Education
"	Mr. Finn Aass	Ministry of Prices and Wages
"	Mr. Eidind Aass	Leketor Lag (National Association of Gymnasia Teachers)
"	Mr. Trond Johannesen	Norway Education Association (Elementary Teachers)

Scotland	Mr. G. F. Bryden	Education Institute of Scotland
"	Mr. A. M. Sellar	Senior Deputy Town Clerk-Edinburgh
"	Mr. George Feir	Office of Secretary of State
Sweden	Mr. Soren Normark	National Board of Education
"	Mrs. Ingrid Lunde	Swedish Teachers Association
"	Mr. Buger Sandberg	Ministry of Finance (Negotiation Division)
"	Mr. Bertil Drougge	Ministry of Finance (Negotiation Division)
"	Mr. Carl Tomas Edam	National Association of Gymnasia Teachers
"	Mr. Per Dahlbom	National Association of Gymnasia Teachers
"	Miss Karin Johannsen	National Association of Gymnasia Teachers

Since a number of delays were encountered in the preparation of the manuscript, time has not permitted contacting the interviewees to review the prepared manuscript nor check any aspects of it, desirable as that would have been. Thus, some misinterpretation of information collected and similar errors must be anticipated. However, these should be minor and not affect substantially the suggested application of centralized negotiations to states in the U.S.

In appreciation of all the assistance received from the many sources and in the hope that with all its imperfections centralized negotiation of salaries may provide "a better way" of salary and fringe benefit determination in the U.S., this report is submitted.

LeRoy J. Peterson

CHAPTER I

COLLECTIVE NEGOTIATION OF SALARIES IN THE U.S. - ITS LEGAL DIMENSIONS

Introduction

While this report is in no sense a study of collective negotiations or its legal dimensions in the U.S., a brief review of the development of collective negotiations as circumscribed by statutes and judicial decisions should assist the reader to a better background for evaluation of the subsequently described European practices and their potential application in the U.S. This review includes not only the legal dimensions of collective negotiations in education but also in the labor movement generally since the lessons learned from development of negotiation procedures and practices in private industry should be of inestimable value in appraising potential programs of collective bargaining in education. The review of collective bargaining both in private industry and governmental employment is included in the hope that essential changes in collective negotiations procedures in the U.S. may profit by experiences of past activities.

An analysis of past collective negotiations in the U.S. makes clear the difficulties in developing clear-cut, precise procedures since each group has defined acceptable procedures as those which are most favorable to them. The concept of clear and objective neutrality in procedures has been slow both in developing and in being accepted in the U.S. This concept, generally embraced in the European countries studied, if applied in the U.S. would facilitate resolving differences of

opinion and achieving acceptable settlements. It implies procedures through which both sides may find compromises from a reasonable point of departure, consistent with democratic principles. Judged by this criterion early attempted negotiations were in reality, not negotiations in any real sense and precluded any meaningful bargaining. This was due both to the attitude of the negotiating parties and to early statutory and judicial constraints described below.

Early Legal Status of Collective Negotiations In Private Industry

Early court decisions for all practical purposes prohibited collective bargaining. The famous Cordwainers Case[1] held that it was criminal conspiracy for labor organizations to attempt to increase the wages of members through group actions. For thirty-six years the doctrine of criminal conspiracy, which made attempts to bargain collectively for wages a criminal act, was followed. This doctrine based on earlier English law held collective bargaining in violation of the law of supply and demand. Finally in 1842 Commonwealth v. Hunt[2] ended the doctrine of criminal conspiracy which had prohibited virtually all concerted wage activities of labor organizations. This decision held that whether labor organizations were guilty of criminal violations depended on the nature of the joint actions and replaced the doctrine that all concerted actions of labor unions were criminal.

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[1]Cited as People v. Melvin, 2 Wheeler (Criminal Reports) 262 (N.Y. 1810).

[2]Commonwealth v. Hunt, 4 Metcalf 111 (Mass. 1842).

Legal constraints of organized labor were also felt in the Sherman Anti-Trust Act of 1890. While Congress had intended the Act to control monopolistic power and practices of trusts and corporations, federal courts included labor unions within its provisions and found them guilty on the basis that their acts were a conspiracy to restrain trade. In spite of Congressional action to the contrary, embodied in the Clayton Act of 1914, the U.S. Supreme Court continued to include labor unions under the Sherman Anti-Trust Act provisions until the early nineteen-forties. Through this span of years the courts considered labor unions as "groups" and applied more repressive restrictions to them than was applied to corporations which were considered legal "persons." The Norris-La Guardia Act of 1932 deprived federal courts from participation in cases involving labor-management disputes and in 1933 collective bargaining in private industry was given an endorsement in the National Industrial Recovery Act (NIRA). However, this act contained no penalties for noncompliance within its provisions and was relatively ineffectual in the employee-management dispute area.

The National Labor Relations Act, commonly called the Wagner Act, was enacted in 1935 to strengthen collective negotiations. It limited employers' rights to oppose employee organizations, strongly encouraged collective bargaining and took the stance of an equalizer between the individual worker and his more powerful employer. Since the Wagner Act was vague in a number of areas, the National Labor Relations Board was required to sharpen definitions of representation, community of interest, conflict of interests, etc. and to establish procedures and forms for written agreements as well as to adjudicate the many charges of unfair labor practices.

In 1947 the Labor-Management Relation Act, known as the Taft-Hartley Act, was passed over President Truman's veto. It extended the unfair labor practice concept to labor unions. Among the practices identified as unfair were coercion of members, closed shop agreements, featherbedding and secondary boycotts.

While vigorously denounced by organized labor, the Act with but one amendment continued as the major labor law for twelve years until the enactment of the Landrum-Griffin Act of 1957. This Act was designed to improve the internal operations of the union and related to democratic, ethical practices and fiscal integrity. Publication of constitutions and by-laws of unions was required as well as fiscal accountability and reporting. To preclude the possibility of operation of company unions, the Act prohibited employers from making contributions to the unions. This Act acknowledged that labor unions and collective negotiations were a way of economic life in America and a powerful organizational force for channeling employees' wishes and employers' desires to a mutually acceptable compromise.

In Public Employment

By the time public employees came upon the negotiation scene, a changed attitude toward negotiation had developed. They faced neither the doctrine of criminal conspiracy nor the acrimonious bitterness of the private employer. Their right to organize, granted in 1912, was met with little of the bitterness of the earlier opposition to unions.

While given the right to organize to improve their working conditions in 1912, no provisions for recognition or arrangements for negotiations were made. There was not, at this time, any right to strike

to enforce demands. The U.S. Supreme Court has continued to hold that governmental workers are not authorized to strike[3] and this also has been held, generally in lower courts, except when strikes have been granted by legislative action.[4]

While the first federal collective bargaining agreement was signed by the Tennessee Valley Authority and its employees several years before, the real impetus to collective bargaining of public employees at the national level came in 1962 through President Kennedy's Executive Order 10988. This order guaranteed federal employees the right to join organizations which would then be regarded as informal, formal or exclusive units depending on the members' support. It also prohibited federal employees from going out on strike.

Similar provision for negotiation of state and/or municipal employees were enacted in the several states in some instances prior to President Kennedy's Executive Order 10988. These generally provided for the organization of employees and the right to bargain collectively. However, it should be recognized that bargaining of an informal nature between governmental employees and the state and municipal government had long been in existence through activities of the American Federation of State, County and Municipal Employees. Only the legally provided organizational structures for negotiations are of recent origin.

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[3]U.S. v. United Mine Workers, 330 U.S. 258 (D.C. 1947).

[4]Norwalk Teachers Association v. Board of Education of City of Norwalk, 83 A2d 482 (Conn. 1951); City of Manchester v. Manchester Teachers Guild, 83 A2d 59 (N.H. 1957).

In Education

The original opposition to labor unions and collective bargaining in private industry hit with full force in education. So strong was the opposition to "unions" that most teachers who held membership in any teachers' organization were enrolled in "professional" state and local education associations and their national affiliate, the National Education Association (NEA). As recently as 1930 the Washington State Supreme Court held that boards of education could legally adopt a resolution prohibiting membership in a teachers' union affiliate of the American Federation of Labor.[5] This decision reiterated the findings of the Illinois Supreme Court which in 1917 had held that union membership "is inimical to proper discipline, prejudicial to the efficiency of the teaching force and detrimental to the welfare of the public school system."[6]

Regulations prohibiting membership in teachers "unions" continued in board policies and were not contested legally until 1951. The decision in that year held that teachers could organize into associations or unions to negotiate on salaries and conditions of employment.[7] It also was pointed out that even in the absence of enabling legislation, boards of

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[5]Seattle High School Chapter No. 200 of the A.F.T. v. Sharples, 293 P. 994 (Wash. 1930).

[6]People ex rel. Fursman v. City of Chicago, 116 N.E. 158 (Ill. 1917).

[7]Norwalk Teachers' Association v. Board of Education of City of Norwalk, 83 A2d ~~484~~ 482 (Conn. 1951).

education are authorized to negotiate with teachers, unless prohibited by statute, on those items which are not the legal prerogatives of the board to determine unilaterally. The decision of this case also made it clear that public school teachers may not negotiate under threat of a strike to enforce their demands.

In the absence of enabling legislation, boards of education are not authorized to enter into a closed shop agreement or agree to withhold salary increases for teachers who are not members of the union.[8] Where boards of education are authorized to deduct association dues from salaries, it is a discretionary act for boards of education and they cannot be compelled to do so.[9] The right of government workers to bargain with government on matters of salaries and working conditions recently was held not to be a basic constitutional right guaranteed under the first amendment to the constitution.[10]

The legal force of a negotiated agreement is seen in a case settled in the Wisconsin Supreme Court. Here the negotiated contract was upheld against what appeared to be discrimination.[11] The upheld negotiated contract provided that attendance at a state teachers convention of the majority union would be a paid day and attendance at any other teachers convention (even on the same day) would not be paid.

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[8]Bensen v. School District, 344 P2d 117 (Mont. 1959).

[9]McLaughlin v. Niagara Falls Boards of Education, 237 N.Y.S.2d 761 (1963).

[10]Welfare Employees Union v. Michigan Civil Service Commission 184 NW2d 247 (Mich. 1970).

[11]Board of Education of Unified School District v. Wisconsin Employment Relation Commission, 191 N.W.2d 242 (Wis. 1971).

The above cases and precedents established by them form the basis for statutory enactments. Currently, approximately half the states have statutes authorizing teachers to negotiate on salaries and conditions of employment. Some of the statutes authorize teachers to negotiate on practically every aspect of the educational programs as well as salaries and conditions of employment. Statutes authorizing teacher negotiations are divided approximately equally between those applicable to all municipal employees and those applicable to teachers only.

While it would appear from statutory enactments that approximately half the states do not have negotiations for teachers, this is not the case. Teachers may negotiate unless prohibited by statutes. While earlier several states prohibited teachers from collective negotiations, this restriction has largely disappeared. As of 1971-72, over four-fifths of all teachers in school systems with enrollments of 25,000 or more are working under negotiated agreements. Even in the smaller school systems (1,000-1,199 enrollment), over half are covered by negotiated agreements. In the Mideast region of the U.S., over 95 percent of all teachers are working under negotiated agreements.[12]

Recent increases in the number of school systems engaging in collective negotiation makes it clear that very soon negotiations will be nationwide. The problem now and in the years ahead is the identification of the procedures and processes for the most satisfactory and efficient resolution of conflicts and issues.

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[12]Report of National Education Association released at 1972 convention, Atlantic City, N.J.

Almost universally, teachers have been denied the right to strike. Only recently has this right been extended to them by statutes under certain circumstances in Hawaii and Pennslyvania. A Michigan Court refused to enjoin a teachers' strike when the board of education refused to bargain in good faith.[13] Many people are of the opinion that unless authorized to strike, collective negotiations can never be effective. Other groups are equally convinced that while strikes have been a powerful tool of labor unions in the past, it is not a suitable instrument to achieve present day settlements. They point out that no one ever really wins a strike and urge binding arbitration as a suitable avenue of strike avoidance. With the approval of strikes for teachers now authorized in two states, teachers face the major decision of whether they desire to go the strike route. Experiences in some of the European countries may assist in making this decision.

Perhaps the clearest lesson in centralization for purposes of collective bargaining in the continental U.S. is found in New York City. Here, in 1960, less than 3,000 of the 33,000 teachers were members of the American Federation of Teachers and only 881 were members of the National Education Association.[14] After more than a decade of bargaining, the United Federation of Teachers (UFT), composed initially of the New York Teachers Guild (A.F.T. Affiliated) and the High School Teachers Association, is emerging as the single powerful representative of teachers:

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[13]School District v. Holland Education Association, 157 N.W.2d 206 (Mich. 1968).

[14]Lieberman, Myron and Moskow, Michael, Collective Negotiations for Teachers, Chapter II, p. 44 (Chicago: Rand McNally & Co., 1966).

So unified, in fact, that the Executive Secretary of the National Education Association, Dr. Sam M. Lambert, told the National Assembly of the NEA that "one man control of the teachers of New York City is inevitable, and the President of UFT . . . will be the man."[15]

Statewide negotiations already have taken place in Hawaii which has a state school system, state financed and state operated. However, as different as Hawaii is from other states, lessons learned in negotiation there are in many instances applicable to the other states if centralized negotiations are attempted.

Wisconsin, the first state to enact statutes for the negotiation of teachers' salaries and working conditions (1959), has in 1971 faced up to most of the issues in teacher negotiations at the local level in the 1971 revision of its negotiation statute.[16] In addition to the usual provisions this revision:

1. Requires good faith bargaining;
2. Requires a fair-share payment whereby all members share in the cost of negotiations at a rate comparable to the dues of the representative organization;
3. Prohibits the employer from making contributions to the employees organization and prohibits the employer from interfering, restraining or coercing employees in their rights to initiate, create or administer any labor or employee organization;

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[15]NEA Reporter Vol. II, No. 6, Sept. 1972: Washington, D.C. Published by the National Education Association.

[16]Wisconsin Laws of 1971-Chapter 124. Published and Effective Nov. 10, 1971.

4. Excludes supervisors and administrators from membership in the teachers' organization and provides for a separate negotiation unit for supervisors;
5. Provides for mediation, fact-finding and arbitration and a method for allocation of the costs.

Not faced directly in the Wisconsin statutes are the issues of binding arbitration and the right to strike. Binding arbitration, to be legalized, probably requires legislative action to remove it from the charge of illegal delegation of the school boards' legislative authority. If enacted in statutes, binding arbitration should be legal since education is a state function and the legislature may place its administration or portions of it in any agency it determines. Since the Wisconsin statutes are silent on the right of teachers to strike it must be presumed that no such right exists.

The foregoing brief review of the legal and historical aspects of collective negotiations is intended to provide a basis for judging the value of the centralized negotiation procedures in the six European countries subsequently described in this report and to permit the formulation of judgments relative to the potentials of centralized negotiation in the U.S. Another purpose of the material presented is to assist in providing direction in the development of a plan for centralized negotiations in any state in which such procedures appear appropriate.

A paramount issue in all collective negotiations in the U.S. and one frequently forgotten is the question of representation of the interests of America at the bargaining table. As one reviews the development of collective bargaining in the U.S., a dearth of consideration of

the public interest is in evidence. Fortunately, some of the European countries provide direction in this area.

This chapter indicates that America has come a long way in collective negotiations but subsequent chapters indicate that the road ahead is still long and tortuous. The purpose of this report is to provide a better basis for building optimum procedures for collective negotiation in the years ahead utilizing past experiences in the U.S. and those of other countries.

CHAPTER II

TEACHER SALARY NEGOTIATION IN ENGLAND

Concepts and information relative to centralized negotiation of teacher salaries among the countries studied is presented first for England, departing from both an alphabetical order and the sequence in which information was collected. This order was selected since the organizational structure and processes of negotiation in England most closely parallel those in the U.S., although analysis revealed numerous and substantial differences. It is believed that the selected order of presentation will facilitate the reader's comprehension of the European systems of negotiation of teachers' salaries. To clearly understand the English system of teacher negotiations, a brief historical perspective is helpful.

Historical Background

It is interesting to note that bargaining for salaries of teachers by individual school districts, as is currently done in the U.S., was abandoned in England over fifty years ago. Prior to World War I the educational authorities of each school district formulated their own salary plan. Salaries were determined either through bargaining with individual teachers or by adoption of a salary schedule for the district. The shortage of teachers after the war and the resultant fierce salary competition for teachers made it evident that local salary determination was untenable. Search for a better system resulted in instituting a program of national negotiation of teachers' salaries.

In the implementation of a national salary scale, four areas were identified which necessitated different salaries due to living cost differentials. The highest scale was granted teachers in the greater London areas, followed by the other smaller metropolitan communities. However, as cost of living differential in the various locations decreased, teachers began to exert pressure for elimination of the lowest scale. When this was achieved pressure was exerted to remove the next lower adjustment level and then the next lowest, etc. Now, only the greater London area is designated for higher salary payments. Both the teachers and management agree that this differential is fair and justifiable. Thus, no effort has been or is being exerted to eliminate it. Until 1944, a separate salary scale was negotiated for elementary and secondary teachers. Now, only one basic scale is operative although separate negotiation committees for teachers at various teaching levels still exist.

The federal government was not involved in the negotiation process prior to 1965. Salary agreements were negotiated by teacher organizations and management which was composed of representatives of local education authorities assisted by municipal authorities and county councils. The Secretary of State (for education) did have the authority to modify agreements. However, since he did not participate in the negotiations, he did not have the essential background of understanding for making intelligent decisions. As a result, the government's non-participation in salary negotiations proved unsatisfactory and involvement was deemed essential.

Two incidents hastened the government's involvement in the negotiation process. In one instance the government had determined that the minimum salary should not be increased. However, management agreed with the teachers to increase the minimum. On another occasion, management had agreed with governmental officials in advance that it would not agree on a number of "sticky points." However, during negotiations these prior agreements were disregarded and agreements on these points were reflected in the final settlement by management and the teachers. The Secretary of State at first refused to approve the agreements but was later pressured by both sides into doing so. In light of these two situations as well as lesser events, Parliament determined that the national government should be represented in teacher salary negotiations and this has been the situation since 1965. The active participation of the national government seems particularly appropriate since it pays a large share of the cost of the current operation of schools, composed largely of teachers' salaries. While the amount of support from the national government varies with the fiscal capacity of the school districts, typically 65 percent of the current expenses are paid by the national government.

Negotiation Issues

Unlike negotiations in the U.S. but similar to European countries the sphere of negotiations in England is narrowly conceived. There is no negotiation with fiscal authorities on "conditions of employment" nor in the determination of educational goals, objectives or curricular content. These issues are settled by agreement with representatives of

the Ministry of Education and/or local educational authorities--dependent on the point at issue.

While both local educational authorities and teachers would prefer bargaining on all "conditions of employment" which are of economic consequences, Parliament has not yet granted such authority. Thus, centralized negotiations are restricted to salaries and salary scales and may not include the increasingly important area of fringe benefits. This limitation, according to representatives of both management and teachers, is serious since working conditions and fringe benefits are inextricably interwoven with salary demands and teachers are often willing to negotiate a trade-off for less salary and more fringe benefits. An agreement based on a balance of the two is obviously impossible under the present English system. However, the National Negotiation Committee (Burnham) enacted a resolution which put forward a request to the government for permission to bargain on fringe benefits and conditions of employment.

While a majority of those interviewed favored expansion of the sphere of bargaining to all issues having an economic impact, a small minority pointed to the advantage of having one single proposition as a basis for bargaining in contrast to the myriad of issues which would have to be resolved if fringe benefits and conditions of employment were also included. It was contended that prior agreement on the salary scale by the negotiators would permit easy agreement on fringe benefits and conditions of employment and all other issues except those reserved to the national government affecting all public employees and which are not subject to negotiations.

Participants in Negotiations

Identification of the parties involved in negotiation is rather more complicated in England than in the U.S. There is a number of teacher organizations bargaining for the teachers and staff. On the management side, a substantial number of local educational authorities as well as representatives of municipal government are represented. The national government is also involved both in the negotiation process and in serving as the secretariat for the negotiation committee.

Professional Staff

In a broader sense it is less than accurate to refer to the professional workers' representatives as the "teachers' side" as is customarily done. Actually, the teachers' side includes not only teachers but the U.S. equivalent of supervisors, principals, superintendents and central office staff--in short, all professionally trained workers. In the judgment of both the representatives of teachers and management it is as inconceivable as it is unworkable from an educational standpoint to place teachers on one side of the bargaining table and supervisors, principals, superintendents and central office staff on the other. It is a cardinal, guiding principle of negotiation in England that all professional workers be placed on the same side of the bargaining table.

To assure a high "community of interest" the salaries of all other professional workers in England are linked directly to the salary scale of teachers, with added compensation for additional time allocations and supervisory or administrative responsibility. Thus, when salaries of teachers are increased the salaries of all other professional workers are increased proportionately.

In England several teacher organizations are represented at the bargaining table. The determination of how each organization is to be represented is a difficulty of major proportions. Proportionate representation is impossible since the several teacher organizations are unwilling to devulge the number in membership. However, it is common knowledge that most teachers (estimated at over 90 percent) are members of the National Union of Teachers (NUT). This situation is likely to continue since by common agreement one association cannot now "poach" on the membership of another. Thus, NUT has and will continue to have most of the teachers in membership. Because of the difficulty in allocation of representatives at the bargaining table by voluntary agreement, Parliament has authorized the Secretary of State to determine the number of representatives for each organization. The number of representatives each organization is allotted is of vital importance since within the teacher group all major decisions are made by majority vote. During the 1971 negotiations 28 members, divided as follows, constituted the teachers' side:

16 - National Union of Teachers

6 - Secondary teachers organizations

3 - National Association of Schoolmasters

2 - Technical and related associations

1 - National Association of Headmasters

The Management Side

The management side of the negotiation committee represents local educational authorities which are somewhat analogous to boards of

education in the U.S. However, there are differences. Local educational authorities are a committee of the county councils or county burroughs. County councils and county burroughs are responsible for the operation of all municipal activities. Local educational authorities are responsible for all levels of education in their area (except for nationally operated universities). The local educational authority for the London area is a powerful organization known as the Inner London Education Authority.

The local educational authorities of the county burroughs are joined in an association designated as the Inter-School Corporation. This organization has representatives on the management side as does a special body known as the Association of Education Committees. The secretary of the Association of Education Committees is Sir William Alexander, who serves as honorary chairman for the management side. The Education Committees are not employers of teachers since this is a function of local educational authorities. Thus, a group not employing teachers is very influential in the determination of teachers' salaries.

In practice, management has the same number of members as do the staff groups. Representation on the management side is of minor significance, however, since issues are not decided by majority vote. Rather, they are discussed thoroughly until a consensus or near consensus is reached. In meetings with teachers, everyone from the management side supports the point of view expressed by the spokesman for management even if a difference of opinion still exists.

Government

With the central government typically providing approximately two-thirds of the money for teachers' salaries and other current expenses it obviously has a high interest and deep fiscal concern with any agreements reached through the negotiation process. The central government has been legally represented at the negotiation table since 1965 when a degree of involvement and responsibility was legislated by Parliament. The chairman of the negotiation committee is designated by the Secretary of State. He represents government and is independent of either side. In addition to designating the chairman the central government appoints two representatives on the management side. They are employees of the Department of Education and Science which is in the Ministry of Education. The department also serves as secretariat for the negotiation committee.

The central government is accorded approximately eight votes in a voting strength of 28. While it is obvious that in any vote the government would lose to the balance on the management side this is not considered significant. The government has major control in that the management side may not make any offer in terms of global costs unless the government representatives agree, after prior consultation with appropriate governmental officials. Thus, the government does in effect determine the total amount which can be offered to secure an agreement. It does not, however, exercise the same constraints on how the total amount is to be divided nor on the format of the national salary scale.

Negotiation Procedures--Agreement Reached

As the first step in negotiation, after the parties have been convened, the teachers' organizations set forth their proposals. This

is invariably a request for a percentage increase in the current salary schedule. Very rarely is a change in the rate structure requested by teachers. The proposal is set forth in detail both in oral explanation and in written documents. After receiving the proposal and hearing an explanation of it, the general meeting is adjourned to permit management to analyze the proposals and prepare counter proposals. The counter proposals are set forth by management at the next general meeting. The teachers and management each designate a speaker to present their points of view. Often a different speaker is designated to present a particular part of the total proposal. Each group speaks with one voice--no dissent is permitted when meeting with members of the opposite group. Thus, every effort is made to resolve all differences of opinion within the group prior to presentation to the other side.

There is no voting on any proposition in joint meetings of both groups nor any decision-making by those present. Decisions are made by teachers and by management each acting independently.

After the proposals and counter-proposals, further bargaining ensues. In most instances a provisional agreement is ultimately reached. At this point a representative of the Ministry of Education, who acts as secretariat for the group, puts the provisional agreement into written form. Each side then studies the document, and consults with its executives and representatives. The major teacher organization (NUT) consults with its constituents on the provisional agreement by calling a special conference of representatives of its members (2,000 representatives). At this meeting the provisional agreement is explained fully and reactions are obtained. General amendments may be

enacted which do not alter the basic agreements. However, the basic provisional agreement document must be either accepted or rejected in total. If rejected, the reasons for rejection must be set forth in writing. There is no provision in the statute for radification by the membership of either teachers or management so obviously none is required.

If the basic agreements in the provisional document are accepted by both sides a final document is prepared by the representative of the Ministry of Education and approved by the Secretary of State. When so prepared and approved the document has the force of law. Approval by Parliament is not required since it already has given its approval for implementation of agreements under the Remuneration Act. After publication, the agreed wage scale is effective throughout England and Wales.

If an individual teacher believes he is improperly paid, i.e., improperly classified on the salary scale, he pursues this matter with his local educational authority. In this action he is typically represented by his education (teachers) association. If the difficulties cannot be resolved in conferences the teacher has recourse to the courts.

Negotiation Procedures--Lack of Agreement

If, after a period of negotiation, no progress toward settlement is being made either side may request arbitration. If the side not requesting arbitration agrees that no progress toward resolution of the issues is being made, then the unresolved issues go to arbitration immediately. If one side requests arbitration and the other side does not agree, then the chairman must decide whether anything further can be achieved by negotiations. If he is convinced that all approaches have been exhausted and further negotiations would prove unproductive he

may order arbitration. Even when the issues are ordered to arbitration negotiations on them are not necessarily ended. Either side may agree to certain changes which may enhance the possibility of further progress through negotiations and the chairman of the negotiation committee may recall the issues from arbitration and refer them to the negotiation committee at any time.

When the chairman refers the issues to arbitration he usually offers his good offices to both sides indicating his willingness to assist in any aspects of future negotiation. Thus, the door is kept open constantly for additional negotiation even while arbitration is in progress. While arbitration in theory is not compulsory, in actual practice it is. For all practical purposes both sides must accept the findings and decisions of the arbitration panel.

To implement arbitration the chairman of the negotiation committee requests the Department of Employment and Productivity, a division of the Ministry of Labor, to provide an arbitrator. The scope of the issues to be arbitrated is set forth with all items previously agreed upon excluded.

After the Department of Employment and Productivity has assumed jurisdiction and has appointed a chairman, he asks the secretary of both the teachers and management to each submit a panel of four names from which he can select persons to confer and advise with him. One person is selected from each of the panels submitted. The willingness of the persons to serve is verified before any appointments are made. While not required to do so, the chairman of the arbitral panel usually informs each side of the names of those he contemplates appointing. The

chairman then formulates the terms of reference for consideration of the issues. Ideally these are agreed to by both the teachers and management but if agreement cannot be reached, the chairman makes the decision himself as to what is to be included. While it would appear that agreement on the issues and terms of reference would be easy, such is not always the case. The 1971 arbitration issues are a case in point. The teachers wanted the arbitral body to be concerned only with the percent of increase in salaries while management wanted it to consider the total salary structure as well as the percent of increase. On this problem no solution could be reached.

When the arbitral body has assumed jurisdiction it has full authority on all matters except that it may not refuse to return the issues to negotiation when requested. It establishes its own rules, decides what to do and the procedure to be employed. It may hold public hearings or decide for any of a variety of reasons that hearings should be private. When public hearings are held, they are usually attended only by a few. The teacher and management representatives may decide to attend or not to attend. Usually a small representation from each side attends the meetings. On one rare occasion, all 28 members of the teachers' side decided to attend the meeting of the arbitral panel and were permitted to do so.

The arbitral body may or may not hold preliminary meetings prior to sitting as a court for action and decisions. In any case both sides must develop a written presentation prior to the first formal meeting of the arbitral body, a copy of which is provided the other side. At the meeting of the arbitral body the chairman asks each side to expand its

case--answering any of the propositions the other side has advanced and refuting any of its arguments. The oral presentations of each side is interrupted frequently with questions. The opposite side is permitted to raise questions and make statements at the discretion of the arbitral chairman. In these hearings, as in other aspects of arbitration, the Department of Employment and Productivity serves as secretariat, keeping all records, preparing all statements, etc.

Following the formal hearings the arbitral body gives due consideration to all information received plus any other obtainable bearing on the salary issue. After due deliberations in private, a written report is made to the Secretary of State. This report includes findings and recommendations. Both the teachers' side and the management's side are provided with a copy of the report for informational purposes. The Secretary of State may overrule the decisions of the arbitral board but has never done so. The office of the Secretary of State, with major assistance from the Ministry of Education, formulates the report and prepares it for publication. When published by the Secretary of State, as a statutory document, it has the force of law. This document then becomes the statutory salary scale for all teachers in England and Wales for the designated period of time.

Suggested Changes

While the consensus of the persons interviewed supported the belief that centralized negotiation of teachers' salaries was immeasurably superior to bargaining by individual school districts, most of them believed the present system could be improved. Neither side was completely satisfied with the concept that two of the adversaries,

management and government, were on one side of the table and only one (teachers) on the other. Some additional type of representation of teachers and others involved in education such as personnel from the Ministry of Education or parents and students would appear appropriate to several interviews.

When issues go to arbitration, some think that management is over-represented. It is their contention that the Department of Employment and Productivity has a much greater empathy for and affiliation with management than with teachers. Decisions by an impartial body acceptable to teachers, management and government was a suggested alternative.

Some governmental officials are of the opinion that teachers enjoy a high advantage in the provisions for full retroactive pay. It was pointed out that this removes all incentives for rapid orderly negotiations and permits teachers to wait until "the time is ripe" for pressing for settlement of their salary claims. A resolution of this issue in a way which does not penalize teachers is difficult. One suggested solution is permitting retroactive payment for a reasonable but limited period of time and requiring the issues to go to arbitration at a point which under most circumstances would guarantee settlement within the designated time period.

It was suggested also that the issues be permitted to go to arbitration only when both teachers and management are in full agreement that negotiations can make no further progress. This would force continuous negotiations until both sides are convinced that further negotiations would be unproductive.

While negotiated settlements were for longer periods originally, they are currently only for one year. This was considered too brief a period by several of the respondents considering the time, effort and energy which currently go into the now constant negotiations. A minimum contract period of two years with provisions for automatic adjustments for changes in cost-of-living and other "emergencies" seems preferable to the present system to many of those interviewed.

In negotiations each party selects the indices most favorable to its point of view ignoring other equally pertinent data. The indices used by each party vary from one negotiation period to the next. It was suggested that definite standard criteria or indices be adopted to be used as the basis for determination of salary changes year after year. When new criteria appear pertinent, they should be formally added to the list. Thus, data-based decisions would be achieved and decisions would be made on the same basis over a period of time.

Currently there is no provision for minority groups or individuals to voice their points of view. It was the consensus that everyone should be given the right to express his viewpoint. If time does not permit him to present this orally, he should have the opportunity to do so in writing, submitting it to the proper tribunal for consideration. Many considered the limitation on the minority one of the most serious weaknesses of the English negotiation process.

Another limitation of the English negotiation system, as viewed by several of the respondents, was the inability of the teachers to back their demands by effective action. A national strike is impractical in England because of the lack of a strike fund and local strikes are

largely ineffective. While teachers can and do withhold voluntary services such as supervision of sports and other extracurricular activities, this appears an ineffectual method of enforcement of salary demands. It was generally conceded that to bargain effectively, teachers must have some overt basis for enforcing their requests. Whether a strike is the proper action was questioned by many. Something between withholding of voluntary service and effective strike action was suggested as an alternative if some such program could be developed.

Perhaps the most frequently mentioned suggestion for change was provision for incentives to both teachers and management to reach a reasonable settlement by negotiation with some degree of rapidity. This might take the form of either an additional grant from government to reward early settlement or to refer the matter to impartial arbitration if agreement is not reached at an early date. The utilization of some form of incentive for early settlement of the salary issue should not long be delayed in the view of some members of both management and teacher organizations.

Personal Observations

Analysis of format and procedures in both negotiations and arbitration makes apparent that a high degree of sportsmanship and cooperation is essential to the satisfactory operation of the English negotiation process. As actually drawn, either side could make the law ineffective by refusing to cooperate at a number of points. For example, each side is requested to provide names from which the arbitral

body is composed. There appears no legal machinery to compel them to do so. Since neither side has refused to cooperate to date, the full force of the law remains to be determined by the courts.

While some conflict in testimony appears, major opinion indicated that both parties were willing to put forward their best proposition in negotiation in an effort to achieve a settlement. It was the general consensus that the parties did not hold back their best offer for fear that this would have an adverse effect if and when the issues went to arbitration. This is possible since offers can be made "without prejudice," i.e., the offer is valid only if accepted at the time proposed. If not accepted it is withdrawn and has the status of never having been made. Another factor which permits the parties to advance their best offer is that the arbitral body is not expected to find a point of settlement somewhere between what was requested and what was offered. Recommendation of the arbitral body could well be the acceptance of the point of view of one of the parties, as has been done--or even to go below what management has offered or above what the teachers have requested. Unlike mediation in the U.S. which appears to be a search for "middle ground," arbitration in England is an effort to identify a settlement which is fair and just. In the opinion of several this is likely to approximate the position of the party making the fairest offer.

A genuine effort was made by both parties to support a just format for arbitration. The statement was frequently made by both sides that for satisfactory negotiation the two adversaries must be absolutely equal in all facets of negotiation. To keep teachers from being put

at a disadvantage management is in agreement that any salary increase granted should be retroactive to the expiration of the previous contract. This relieves teacher organizations from excessive pressure which could result in their making unwise concessions to assure agreement by the time the previous contract terminated.

While teachers from wealthier communities would probably receive additional compensation if individual communities were permitted to pay higher salaries than the designated national salary scale, teacher organizations do not favor such a proposition. In fact, they strongly support the statute which prohibits any district from paying salaries in excess of the national scale.

While the study of centralized negotiations of teachers' salaries in England revealed a number of weaknesses it also pointed up many areas of strength. Several of these may be profitably pursued in the several states of the U.S. These will be considered in the final chapter of this publication.

CHAPTER III

SALARY NEGOTIATIONS IN SCOTLAND

The processes of centralized negotiations of teachers' salaries in Scotland more closely resemble those in England than in any of the countries studied. In addition, a direct connection in intergovernmental relationships exists between the two. While Scotland is free from English control in many facets of government, particularly in minor functions, a direct dependency in major areas still prevails. In these, final decision-making is vested in the English Parliament. Educational functions including negotiation of teachers' salaries are considered major and are under English control.

It is assumed that salary increases granted teachers in Scotland will be comparable to increases granted in England. Anything more than a slight divergence must be fully explained and defended, with documentation of reasons for differences. To limit the possibility of intergovernmental problems, representatives of the government in Scotland maintain close liaison with their counterparts in the English government and are guided by what they consider reasonable. Failure to maintain close relationships in the negotiation process would court trouble according to the Scottish officials.

Unlike England, where formal statutory negotiations have been in operation for a long period, formal negotiations in Scotland are of recent origin. However, negotiations in an informal sense have long existed.

The development of negotiations in Scotland is described briefly in the following section.

Historical Background

As early as 1939 a national body, The National Joint Council, was established to assist in salary determination. While without statutory power it did arrange for bargaining on salaries between teachers and local educational authorities. The government was not represented in the early negotiations and the Secretary of State became restive because of the cost of some of the settlements. Since rejection of these settlements would have humiliated local educational authorities, they were approved reluctantly. As a result, legislation was enacted subsequently providing for governmental representation on the National Joint Council. In early negotiations there were no provisions for arbitration when an impasse was reached in salary negotiations. With the recognized limitations of the existing machinery for disposition of salary issues, sentiment was building for a formal, statutory procedure. As a result, the Remuneration of Teachers Scotland Act, which provides the current basis for salary negotiations, was passed in 1967. The act encompasses not only teachers but the entire professional personnel of school systems. Thus, the term staff negotiations not teacher negotiations is preferred and is commonly used in Scotland.

Negotiation Issues

Under earlier negotiation arrangements no limitation was imposed either implicitly or explicitly on items to be negotiated. In practice, items negotiated included conditions of employment and fringe benefits as

well as salaries. The Remuneration of Teachers Scotland Act of 1967, however, conceived of negotiation and arbitration within a narrower format and limited considerations to professional staff salaries at all levels. Persons interviewed during this study were convinced that restricting considerations to salary only was an unfortunate mistake. It was the consensus that negotiations could be more effective if they encompassed consideration of all items having an economic impact. However, it was the considered judgment of the interviewees that inclusion of curriculum decisions, determination of educational goals and related educational issues should not be decided in negotiations. To do so would give fiscal authorities--with little expertise in the educational field--a major voice in decisions in areas in which they have only limited knowledge.

Participants in Negotiation

As in England, the negotiation committee is composed of the professional staff side, the management side and representatives of government. How each of these representatives is selected is explained in the following sections.

Professional Staff

Proportional representation from the professional (teacher) organizations is not practical since the Educational Institute of Scotland, with its large membership, would have virtually all of the 16 representatives. It is equally infeasible to determine membership between the several educational organizations by joint agreement, since agreement would be very difficult if not impossible. Consequently, the Secretary of State determines the representation of each association. His recent

determination resulted in three members from the Scottish secondary teachers' group, two from the Scottish Schoolmasters' Association and eleven from the Educational Institution of Scotland. Representatives within the institute are selected from the different levels of teaching or positions in education.

Management

The local authority side, hereafter referred to as management, represents educational authorities of the four major cities (cities-counties) and some 30 county educational authorities. Twelve representatives are allocated--one each to the four cities and eight to the county educational authorities. In addition, the management selects an honorary chairman who advises and serves as a resource person. This position is currently held by Mr. Sellar, Senior Deputy Town Clerk of Edinburgh. While a governmental rather than an educational official, his extensive background makes him a very influential member of the management team. He was originally Honorary Secretary of The National Joint Council and with the 1967 enactment became and has continued as honorary chairman of the management side.

Government

As in England a large share of educational costs (estimated at 60 percent in the typical district) are paid by the central government. With financial commitments of this dimension, the central government obviously desires and deserves involvement in staff salary negotiations in education. Since 1967 direct statutory involvement has been decreed by Parliament.

The Secretary of State for Scotland has the responsibility for establishing the negotiation machinery. In addition, he carries most of the other responsibilities of the Minister of Education as well as those commonly carried by other ministers since there are no ministries in the Scottish system of government. Carrying these several responsibilities, he is keenly aware of the impact of any negotiated salary agreements in education.

In the establishment of the negotiation committee a person independent of either side is appointed as chairman by the Secretary of State. He may be a judge, a barrister, an industrialist or any other person who will conduct the negotiation process fair and impartially. The chairman presides at all meetings but has no vote. In addition, the Secretary of State appoints two representatives from the Scottish Department of Education to serve on the management side and to provide objective, factual information. The government exercises a variety of fiscal controls which will be presented in discussion of procedures.

Negotiation Procedures--Agreement

To achieve orderly procedures in negotiation, a number of technical or "housekeeping" aspects are recognized. For example, both the professional staff side and the management side appoint secretaries who serve as joint secretaries to the committee. They are officers of the negotiation committee but have no vote. When a vacancy on the committee occurs, a new member is nominated by the body in which the vacancy occurs. As a rule all vacancies are filled promptly keeping the full contingent of members on both sides. When a member is unable to attend temporarily, a

substitute may be appointed by the constituent body. The substitute so appointed may exercise all powers of the original member.

Consultants or assessors as they are called are provided for each group. Management, for example, had six assessors in recent negotiations. These assessors attend all meetings and advise the committee on all relevant matters but do not otherwise engage in the deliberations. They are not entitled to vote.

Actually, most of the negotiations are conducted through subcommittees appointed from among membership of the committee after discussion and agreement in principle. The two government representatives serve on subcommittees. A quorum of the subcommittee is not less than one-third of the members of both the professional staff and of management. No motion is carried unless it is approved by the majority of the professional staff and of management, each voting separately. Any member may enter a dissent from the decision of the majority. The decision of the majority with any dissents is brought back to the full committee for action.

In view of the interest of teachers and others in the action being taken, information on progress is reported to news agencies at the conclusion of each meeting of the committee. The aim is to make as full and informative a statement as is possible consistent with effective continuation of negotiations. Statements released to the press are in a form agreed upon by both sides. When agreement is reached there is no bar to the information which may be released by management and the professional staff. It is also the policy of the committee not to reveal the position of individual members on any action in the proceedings.

The negotiation committee and all subcommittees are entitled to formulate their own procedures, which is limited only by standing orders and statutory enactments.

Negotiations are normally started in October. Since teacher salary agreements terminate on January 1, completion of negotiation by that date is desirable but is not anticipated. If all aspects of negotiation move ahead without difficulty, settlement may be reached in February which permits the subsequent processing by April 1. Thus, even when negotiations move smoothly, teachers are without contracts for three months. However, once agreement has been reached, teachers are assured of retroactive payments to January 1.

Prior to the first formal meeting of the negotiation committee, the three organizations which compose the staff side conduct meetings at which each organization sets forth its views of what the position of the staff should be. An effort is made to resolve differences but since the Educational Institute of Scotland has a preponderance of the total membership, the stand taken by it is in essence the position of the staff side. When the staff side goes into negotiations with management and governmental representatives, only the point of view of the majority may be expressed. This is also true for management and a spokesman is designated to express this point of view. Only in subcommittee deliberations may the minority express its point of view.

No mention was made of a preliminary meeting of management which in fact may be unnecessary since the staff side, not management, must develop the original proposal. At the initial meeting of the total committee, 16 from the staff, 12 from management and 2 representing

government, the staff proposal is presented and explained. This meeting of the total committee is relatively brief after which the group divides into subcommittees with seven representing staff and seven management to explore the several facets of the proposal. In negotiations there are never any overt differences between local authorities and government.

When all subcommittees have reached agreement and issues have been resolved, they report back to the total membership. The total membership does not consider and debate the issues but rather relies on and accepts the judgment of the subcommittees. Thus, when the subcommittees have agreed, for all practical purposes the decisions on the salary scale have been made.

Considerable activity by governmental officials is conducted concomitantly with salary negotiations. First, the government negotiators must determine that the treasury will be able to accommodate the required payments. In stringent financial situations government representatives are counseled not to make too high a settlement. If the amount proposed for settlement appears high in relation to available financial resources, it may require decisions at the highest level. In the 1971 situation the government was engaged in a de-escalation program to counter previous and present inflation. Governmental representatives were aware of the government's desire to de-escalate and were expected to observe this in reaching a settlement. If the Secretary of State believes the amount of revenue required in the proposed settlement is too high, he can pursue the issue in Parliament. In this event the settlement becomes the amount on which Parliament rather than the negotiation committee agrees.

If the agreed settlement requires an amount of revenue which is within governmental policy, and the agreement of the subcommittees is accepted by the total negotiation committee, the agreement becomes final. No radification of the membership of any organization is required. However, the teacher organizations employ a procedure which approaches informal radification. If the staff side reaches the conclusion that they are not likely to secure a better offer, even though it is far short of their aspirations, they conclude a provisional agreement. They then take the provisional agreement to their membership or representatives for reaction. If the consensus is that the provisional agreement is acceptable, the negotiators will convert the provisional agreement into a permanent one. If, however, the membership is dissatisfied with it, the negotiators will go no further and the proposal in the provisional agreement is never made effective. The above procedure eliminates any need for radification of the final contract since the above method is available to plumb membership reactions to any proposed agreement.

When all preliminary steps have been completed and agreement has been reached, the Secretary of State puts the agreements into proper form. He has no authority to modify any aspect of the agreement. The negotiation committee determines that the agreements have been faithfully reflected in the document prepared by the Secretary of State and so certifies. When it is agreed that the document is in proper form, the Secretary of State issues an order giving it the force of law and all local educational authorities must pay salaries according to the statutory scale. They are prohibited by statute from paying more or less.

Negotiation Procedures--Lack of Agreement

When the subcommittees cannot reach agreement the several unresolved issues are brought back to the negotiation committee. This committee attempts to clarify issues in a manner which may permit settlement. It may try to secure agreement on major points, and frequently succeeds. However, it is too large a group to attempt to resolve most issues. Thus, when the subcommittee fails to achieve agreements arbitration is most likely. Arbitration has been required for settlement in two of the four negotiations since the 1967 enactment.

The government embraces the concept that arbitration is simply an extension of negotiation and is not resistant to its use. However, both the staff and local educational authorities prefer negotiated agreements. They consider arbitration a last resort, to be avoided if possible. As a result, arbitration is not entered into lightly but is utilized only when it is crystal clear that nothing further can be gained by negotiation. When the gulf between the two sides is too wide to permit any negotiated agreement, all issues, including those previously agreed to, go to arbitration. The referral of all issues to arbitration is discouraging to the negotiators since as much as 90 percent of all issues may no longer be in controversy. The reason for submission of the entire proposition to arbitration is that either side may have made concessions or offers in the hope of achieving a settlement which it is unwilling to support unless an agreement is achieved without arbitration.

As in England, offers may be made without prejudice, i.e., the offer can be withdrawn and be considered as never having been made if the offer does not result in a settlement. Here, too, this procedure permits

each party to make its best offer immediately without being at a disadvantage in subsequent arbitration.

In the process of negotiation the plan of procedure, terms of reference, etc., are formulated by the Secretary of State. This is done in conjunction with representatives of the two parties but in cases of nonagreement the Secretary of State is authorized to proceed and make all decisions.

The Department of Employment is the agency responsible for conducting arbitration. A chairman, independent of either party, is appointed by the Secretary of State for Employment. In the process of arbitration each side presents its point of view both in writing and orally. The written document is presented to the opposite side in advance of the oral presentation. Each side prepares written comments on the document prepared by the other. In the oral presentation the arbitral body raises a variety of questions. Members of the opposite side may also make comments and refer to their notations on the written document. They also may question the opposite side, at the discretion of the chairman.

The final act in salary negotiation and arbitration is putting the document in proper form for publication by the Secretary of State for Scotland. At this point the agreed salary scale becomes the statutory guide for payment of staff salaries and no local authority may pay more or less than the designated scale. No official radification by Parliament or any English governmental office is required since authorization for implementation has already been given.

Suggested Changes

A few suggestions were offered which the respondents believed would improve their system. These suggestions were limited, indicating general satisfaction with the system by persons involved in its operation and/or affected by it. It was the consensus that all conditions of employment with economic implications should be negotiated. To restrict negotiations to the salary scale, as is currently the situation, hampers settlement and fails to achieve a satisfactory balance between the salary scale and fringe benefits, thereby putting an undue emphasis on salaries.

Respondents were of the opinion that in some instances negotiators were more concerned with the effects of the salary scale on individual positions such as headmasters, etc., than on its overall impact. This was particularly true in discussions on restructuring the salary scale. It was the contention of most of the teacher representatives interviewed that the negotiators should be concerned with the global amount of money required and not with salary relationships.

Many persons interviewed believed that negotiators were kept in the dark relative to the government's policy on the desired spread between minimum and maximum wages. Whether the relationships were to remain the same, whether the spread was to be narrowed or increased, was not made clear. The need for a formulated policy by government, clearly expressed and publicized, would be desirable in the view of several of the respondents. The philosophy embraced obviously would influence decisions relative to whether increases would be on a percentage basis or in a pound amount.

Several respondents were of the opinion that some impartial agency should provide objective, factual information which would be the basis

of salary negotiations, rather than permitting or requiring each side to develop its own information. This suggestion was directed at achieving long term improvement in basic data and its use and the ultimate utilization of the same informational basis by all parties at all times.

A number of persons advocated greater participation of parents and pupils in the negotiation process. It was maintained that the parents and pupils would represent the public and the educational interests of the community. The exact functions they would perform was not identified. This point of view is of particular interest in view of the fact that parents and pupils appear to already have a much greater influence on education in Europe than in the U.S.

Personal Observations

In the interest of brevity and perhaps clarity personal observations are presented in specific statements rather than in paragraph form. They are presented below as observations on actual practice.

1. The Secretary of State for Education is the most influential person in education and perhaps in salary negotiation and arbitration in Scotland. If he does not agree with the settlement and does not consider it in the national interest, he can take it to Parliament in London and influence its rejection. At a number of other points, the fiscal controls of government are enormous.

2. The number of representatives on the management side is determined by the associations representing local educational authorities. It appears unrelated to the number of schools, children or population represented.

3. Management cooperates closely with the Secretary of State and the budget office. Thus, the function and position of government becomes indistinguishable from that of local educational authorities.

4. Only rarely are decisions made by majority vote of either the staff side or management. Almost always discussion results in a consensus. Thus, the persuasiveness of the representatives of an organization becomes much more important than the numbers.

5. While membership on the subcommittees is very important, selection of members appears haphazard to an outsider. The people who are willing to serve are normally selected to serve.

6. The attitude that management had two groups, local educational authorities and government, and teachers had only one, which was prevalent in England, was less pronounced in Scotland. The apparent reason was the amicable relationship between the teacher organizations and governmental officials in Scotland.

7. The real authority in salary determination is the committee of governmental officials which determines the maximum increases which may be granted.

8. An unofficial body bargains on working conditions but has little real authority and no way to take disagreements on working conditions to arbitration.

9. The composition of the arbitral body is not completely representative since anyone from the civil service list or governmental employees may not serve.

10. While in theory the chairman of the negotiation committee decides when negotiations should cease and arbitration begin, the real

power is in the committee itself since it can have the proposals recalled from arbitration at any time.

11. While in theory the professional staff brings in the proposals, this is not necessarily the manner of operation. If after considerable debate in subcommittees no progress is being made, management frequently brings in a proposal.

12. An inordinate amount of time is required in negotiations since contracts are on an annual basis and negotiations continue from early October through much of April.

13. Much of the current difficulty in salary negotiations is the attempt to restructure the entire wage scale as proposed by management. A settlement in negotiation of the global amount to be allocated with another agency authorized to restructure the wage scale would facilitate settlement.

14. There has been some discussion but no decisions on the difficult problems of merit pay for teachers, teacher evaluation and recognition of salary increases <u>after taxes</u>. It is optimistic to assume anything will be done in any of these areas.

15. Teachers in Scotland, as elsewhere, are increasingly resistive to assignments to lunchroom duties, extracurricular supervision, etc. School obviously must find a more satisfactory system of compensation for these responsibilities.

16. Many of the representatives of government, management and teacher organizations believe that the working day and year for teachers is conditioned on the most satisfactory length of day and year for pupils. Thus, there is major resistance in all quarters to any changes in this area.

17. Unlike the U.S., salary adjustments within the year are commonly accepted with cost-of-living adjustments considered as part of the salary payment process.

18. Every effort is made to make all teaching positions equally attractive. To achieve this objective salaries are comparable to those in England and a higher scale is provided for teachers in remote areas. In addition, the salary scale is the same for all professional staff members with added compensation for the time and responsibility factor of supervisory and administrative positions.

19. The tendency is to keep the same approximate range between the minimum and maximum salaries. This is achieved by granting the same percentage increase. However, some adjustment for the lowest paid individuals is frequently made, thus reducing the range in salaries.

20. In addition to all other factors bearing on salary negotiations, the final results must be in accord with the national economy, national policy and general wage structure in both Scotland and England.

21. While teachers have not been given statutory authority to strike, strikes by public employees, including teachers, are not prohibited. However, teachers are in a relatively poor position in attempting to enforce their salary demands by strikes or walkouts. A nationwide strike of teachers is not considered serious since there are no immediate adverse effects on the economy. Even if effective, a nationwide strike is impractical since teachers have no strike funds of any size. Locally selective strikes which have been attempted have been deemed largely ineffectual.

22. The interest and influence of parents in all aspects of education, including salary negotiations, is high in Scotland and parents have ready access to the ear of Parliament in London. Since much of the money for education is provided centrally, the parents' major concern is concentrated on the improvement of education. The influence of parents appears to be effective.

CHAPTER IV

SALARY NEGOTIATIONS IN FRANCE

To comprehend the operation of salary negotiations in education in France some understanding of the control of education and the organizational structure is required. This information is presented briefly in the following section.

France operates the largest school system in the world, encompassing all education in one national system. Over twelve million students and well over half a million teachers are included in the federal system. Since December 31, 1959 private educational establishments have been able to receive state support and are considered an integral part of the state school system. A 1970 report[1] indicated that in 1968 the national budget for education was over 20½ thousand million francs exclusive of expenditures to support the education departments, urban communities, communes and ministries related to education. This expenditure represented 16.48 percent of the total budget of France. Eight hundred thousand persons, 40 percent of all public employees, work for the Ministry of Education.

Unlike boards of education in the U.S. local educational authorities in France have little power to effect educational changes in local communities or at the national level. Nor are there intermediate educational agencies with any real power. Consequently, controls of

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[1]Institut of Pedagogeque National, "The Organization of Education in France," Cahiers de documentation. Paris, France, 1970.

every type are exercised at the national level and one is aware that the same subject matter is still taught in the same class at approximately the same time throughout the entire nation.

Local educational authorities are not boards of education in any real sense. They are councils, committees and commissions appointed by the administration, for the most part, to advise on educational matters. Those holding membership in the various councils, committees and commissions were judged by the persons interviewed to be competent individuals who generally represented various associations interested in education, teachers and schoolmasters. The latter two groups are elected by their collegues rather than securing office by appointment. The councils, committees and commissions not only serve in an advisory capacity but also are responsible for serving as a court of appeal from administrative decisions in disputes and discipline actions.

For purposes of administration, France is divided into some 25 geographical divisions known as académes administered by a rector who is the minister of education's delegate. He not only administers elementary and secondary schools but is chancellor of the universities in his region. Inspectors for each department visit schools and report on the quality of teaching of each teacher. The report of the inspector is very important since it circumscribes the rate of progress of the teacher on the salary scale as well as his job security. Since teachers with a high rating (merit) as judged by the inspector, progress on the salary scale at a much faster pace than "ordinary" teachers; this rating is strongly desired.

Elementary and secondary schools as well as colleges and universities all are separate administrative units with separate boundaries and

separate attendance areas. Primary schools were originally operated in every commune (community) which resulted in a total of 35,000 school districts for primary school purposes alone. However, with the declining number of children in many areas a large number of these schools are too small for satisfactory operation and massive efforts at school reorganization are currently underway. The size of the schools, the lack of a well defined role for local authorities, centralization of control and many other factors in the French educational system have combined to complicate salary negotiations of teachers.

Historical Background

Prior to 1968 no salary negotiation in education in any real sense existed in France. Rules, regulations and manner of procedures relating to salaries were specifically spelled out in De Functionnaire, a publication of government. Representatives of teacher unions presented their requests to the Ministry of Education with explanations. The ministry officials listened attentively, asked questions and recorded information. They would indicate either that it would be impossible to accede to certain of the requests and they were dropped or agree that the requests were reasonable and make an effort to secure governmental approval of them.

As the unions became more powerful, repeated requests were brought to ministry officials with a greater insistence that they be granted. However, the Ministry of Education would determine which requests would be put forward to the Ministry of Finance for further consideration and which requests would be deleted at the Ministry of Education level. At this point there was nothing in the procedures remotely resembling bargaining.

The growing dissatisfaction with the above described system led to the enactment of negotiation statutes in 1968 to take effect in 1969. Salary differentials for geographical areas were reduced from 17 to 5 under the new legislation and are being progressively eliminated. The spread in salaries from the lowest to the highest geographical area is 11 percent. The highest paid position in education is ten times that of the lowest paid position.

The salary schedule is an index scale formulated in minute detail and encompasses not only teachers but all civil service workers. Regular teachers may receive salary increases up to 30 years of service but, unlike the U.S., annual increments are not granted. There also is no differential in salary because of the difficulty of a teaching assignment. Salary adjustments are made on a percentage basis but frequent additional adjustments at the lower levels have decreased the spread between minimum and maximum salaries.

Negotiation Issues

Negotiations in France encompass a more extensive array of items than in England and Scotland since any items which have an economic impact are legitimate items for bargaining. For example, if teachers request a reduction in class size of one pupil per class or an additional map for each classroom these requests are deemed proper items for bargaining. With the size of the educational system in France the economic impact of even minor requests is easily apparent. To reduce class size by one pupil would require 10,000 additional teachers. To add one map in each classroom would cost the equivalent of 200,000 American dollars. Changes in curriculum which necessitate no increase in staff or expenditures are

not proper subjects for negotiation. Instead they are settled by representatives of the teachers union and the Ministry of Education. This also is true of all other matters having no economic impact.

Participants in Negotiation

The central government is more directly involved in negotiation in France than in any of the other countries studied. This is easily understood since in France the national government pays the entire salary of the teachers. As a result of the extensive responsibility of the national government for salaries, local educational authorities have no significant role in the negotiation process. Thus, negotiations are conducted by the teachers union and the central government and all decisions are made by them. While this would appear to "uncomplicate" negotiations, educational officials in government are not enthusiastic about it. In fact, they are currently searching for suitable vehicles for decentralization of education and the negotiation process.

Professional Staff

As is true in other European countries the staff side of the negotiation table encompasses all professional workers in education including supervisors, administrators, etc. However, the term teachers rather than professional staff is commonly used in negotiations. Unlike the other countries studied, the teacher unions in France are really not very powerful. Only a small number of the total teaching profession is in membership. They are highly competitive not only in securing members from uncommitted staff but poaching on the membership of the other organizations. To attempt to secure increased membership the unions tend to make exaggerated claims of possible future accomplishments on which they frequently

are unable to deliver. Most of the teacher organizations are by nature highly political and cover the spectrum from extremely radical to ultra-conservative. While very active in politics most unions do not admit close affiliation with political parties. However, this is known to exist.

The negotiation situation is deeply complicated by the fact that teachers do not bargain as a teacher group but are part of the very large civil service employment component. Not all teachers are in one bargaining group since only persons who have the same general rank and qualifications are joined in the same unit. Thus, elementary teachers are in one unit and secondary in another. However, within the larger group, teachers as well as other units have their own representatives. With the bargaining of teachers joined with other civil service employees and the increase granted teachers extending to all others in the group, even a relatively small pay increase has a major financial impact.

When negotiations started, four teacher organizations and three groups composed of other professional workers in education were active. The Federation of National Education, representing nearly half a million teachers has by far the largest membership. Private schools' teachers do not belong to the National Federation of Education but have their own organization. Membership on the negotiation committee is unrelated to size of membership and each organization, even the smallest, has three representatives at the bargaining table for a total of 21 representatives.

It is evident that the teachers' side is in reality a bargaining team for teachers, supervisors, administrators and civil servants of the same rank. One major negotiation team is involved for elementary teachers and another for secondary. While teacher representatives may bargain

separately any agreement reached must come to the entire committee for approval.

Government

No local educational authorities are involved in negotiations but the parent-teacher associations are represented. The major responsibility for the management side is carried by the national government with the Secretariat of Public Function responsible for conducting the negotiations. This office also has important negotiation functions and has the majority (12 of the 20) of representatives on the management side. The Ministry of Education has only one representative. The other ministry representatives, including those from the Ministry of Finance, the Budget Director and other governmental agencies, have representatives.

A number of persons interviewed indicated that the Minister of Education is without substantial influence in salary negotiations. He is much less powerful than most of the other ministers, particularly as compared with the Minister of Finance who wields a heavy hand in salary negotiations. Part of the Minister of Education's lack of influence in negotiation stems from a lack of high regard for his position and in part from the fact that he is "of the old school" and believes the government should decide and the teachers should accept. This creates problems not only in negotiation but causes unrest and strikes in the schools.

Another complicating factor in salary negotiations is related to state support of private schools which enroll approximately two million students and employ over 100,000 teachers. Since 1959, state support has been granted on any of these basis:

1. By integration with public education

2. By subscribing to a contract of association

3. By subscribing to a simple contract.

In both of the last two arrangements private schools maintain their individual identity but the state pays the salaries of the teaching staff for classes covered by the contract. In addition, schools under contracts of association are allotted a flat sum for operating expenses. Sentiment for state support of private schools is not shared by public school teachers who believe private schools are receiving preferential treatment. In 1971 public school teachers staged a brief strike to register their protest against the assumed favored treatment.

Negotiation Procedures

The negotiation process in France is the same whether or not agreement is reached since there is no statutory authority or formal mechanism for arbitration in case of an impasse in salary negotiations.

Negotiations in France are very informal in nature--no statutory rules, no regular meeting time and no established procedure. There is no formally signed statement of agreement, simply a written statement of conclusions. These are then presented to both parties in negotiation and if they agree, or agree in principle, they become the conditions of employment.

Without specific directions and procedures and with no established precedent, a number of errors in judgment resulted which handicapped the negotiations started in 1969. The initial meeting was scheduled for four days which was much too brief a period. Of the four working groups established to identify major educational problems and possible solutions only three completed their reports. No agreements were reached and no

decisions made. Later in the year (October) another meeting was convened but a major political hassle developed. The only agreement which could be reached was to increase salaries if prices increased. The government representatives informed the teachers they could do nothing more. The unions felt this was a unilateral decision and not negotiation as contemplated in the law. On the other hand teachers were in no mood to compromise since they considered their requests reasonable and had anticipated agreement on them. Their attitude was that "we have asked only for what we deserve."

After the fiasco of 1969 teachers had high expectations for compensatory salary adjustments in 1971. They requested an average increase of six thousand francs, (approximately $1,200). The government was in no mood to grant increases of this dimension. The bargaining of the elementary teachers and comparable civil servants was typical. An unproductive meeting was held in February followed by four more meetings in the next two months. Only one achievement resulted: For the first time there was genuine bargaining. No agreement could be reached and the government granted a small salary increase through August but its continuation or further salary adjustments were in question.

With this type of unsatisfactory negotiation procedures and results, any of the other countries studied would obviously have declared an impasse and the issues would have gone to arbitration. However, since arbitration is not possible in France, the only action appears to be a continuation of meetings in the hope of securing some type of agreement on salaries and related issues.

While no resolution of the salary issues has been found, adjustments based on changing cost-of-living have been made. Here, too, a

source of conflict developed with teachers extremely critical of the operation of government. The manner of operation appears to be as follows: If the government anticipates a four percent increase in the cost-of-living, some comparable amount will appear in the budget. However, the government waits until the four percent increase has materialized before any payments are made and then only half of the amount, in this case 2 percent, is paid until the end of the year when payment of the other 2 percent is started. There is no provision for retroactive payments. Thus, teachers maintain they are compensated only partially for past inflation and not at all for present inflation while it is eroding their pay checks. In France teachers are not on an annual contract but are civil service employees on a continuous basis. Thus, there is no contract year but negotiations are intended to cover a one-year period.

While teachers must negotiate with other civil servants of the same classification to determine salary scales and cost-of-living adjustments, certain other payments may be made to teachers only. These payments are made from the contingency fund of the Ministry of Education. Groups or even individuals may approach the Ministry of Education and state their case for additional funds or compensation. If the request is considered sound,it may be granted by the Minister in such amounts as the contingency fund permits. There is no negotiation in the allocation of these funds. They are disbursed at the complete discretion of the Minister of Education.

When teachers are disgruntled with salaries and/or working conditions, as they frequently are, they are legally authorized to strike. However, due to a lack of any substantial strike fund, a nationwide strike of any duration is infeasible. A nationwide strike of a few days at most

is the only type within the realm of possibility. Selective strikes in designated communities can sometimes be supported for a somewhat longer period. However, in the judgment of respondents, strike action as a method of enforcing demands is largely ineffectual. Its major effect is to dramatically call attention of the public and the government to areas of needed changes in teacher status and educational improvement.

Suggested Changes

Due to the numerous problems encountered in salary negotiations in France, the respondents offered many suggestions for alleviation of the difficulties. However, the reader should be cautioned that the current disenchantment with salary negotiations indicated no desire to return to the previous method of salary determination. Rather, it is precisely the desire of the Ministry of Education "to operate as formerly" placed against current expectations of teachers which is at the seat of much of the discontentment.

Lack of statutory direction and inexperience for the magnitude of the task of bargaining with the many diversified civil servant groups who were of the same general rank and qualification was evident. Placing elementary and secondary teachers in two separate bargaining units presented additional complications. This involved teachers in twice the number of bargaining activities that a combined unit would require. Some of the other major suggestions of respondents are summarized below:

1. Enact statutes which not only provide for negotiations but spell out in specific terms the several aspects of negotiations including procedures, subject matter appropriate for bargaining, representation, meetings and other essential mechanics of operation.

2. Provide for legal arbitration in case of impasse, formulating a basis to determine when an impasse is reached. This legislation should also indicate who may call for arbitration and how, who presides at the sessions and whether arbitration is binding, etc.

3. Attempt to ameliorate the undesirable effectives of too highly competitive teacher unions. Rosy but unachievable promises to members by the teachers' unions make satisfactory negotiations extremely difficult if not impossible.

4. Achieve a realistic up-to-date cost-of-living adjustment which compensates for present not past inflation.

5. Elevate the Minister of Education to the level of power and influence of other ministers and assign him a more responsible role in negotiations.

6. Agree to the utilization of pertinent objective indices as a basis for bargaining, using the same ones each year and adding new ones as appropriate.

7. Bargain for a minimum of a two-year contract with proper cost-of-living adjustments for the interim.

Personal Observations

Study of negotiations in France indicated that any satisfactory negotiation must operate within a formalized structure with specific statutory enactments. To attempt negotiations informally is as frustrating as it is ineffectual.

To achieve satisfactory results all parties involved in negotiations must desire to achieve a settlement. Negotiations are impossible if any party to the process is determined to keep it from functioning.

Inexplainable absences of principal parties, delays in convening meetings, failure to compromise and bargain in good faith frustrate bargainers to exhaustion and nullify the negotiation process.

Persons who make the decisions in negotiations must be active participants in the bargaining process. This did not appear to be true in France. From implications, if not direct statements, it can be assumed that the Prime Minister actually makes the decisions in negotiations for the government. He is not present at any of the sessions. The attending government representatives cannot make any major economic decisions unless cleared in advance with the Prime Minister.

While the point can be argued, grouping teachers with other civil servants of comparable qualifications and rank may be detrimental to the teacher's salary cause. Some of the respondents were of the opinion that teachers were hesitant about pressing for higher salary claims since, if granted, the same percentage increase would be granted other civil servants of comparable qualifications. Since the government is always short on money, the teachers fear the funds to pay for the increases would be taken from the government's contribution to teacher retirement benefits, pension funds, education contingency fund, etc. Thus, teachers, if granted a higher salary increase, would be no better and perhaps worse off.

France's experience has provided the reader with maximum direction of <u>what not to do</u> in salary negotiations. Profiting by France's experience, many problems in centralized negotiation can be avoided. These experiences will be utilized in the development of the final chapter of this report, "Implications of Centralized Salary Negotiations for the U.S."

CHAPTER V

TEACHER SALARY NEGOTIATIONS IN DENMARK

Many aspects of salary negotiations in Denmark are directly comparable to those in countries already described, e.g., the definiteness of the procedure typical of England and Scotland and the inclusion of all civil servants of comparable classification in one bargaining unit as in France. The bargaining here is also directly comparable to that in Norway and Sweden. Because of the high degree of comparability in negotiation procedures in the Scandinavian countries it seems appropriate to describe salary negotiations in Denmark in some detail and touch upon the same aspects more briefly in Norway and Sweden.

To understand the operation of centralized negotiation of educational salaries in the Scandinavian countries a clear understanding of the role of central government in its relationship with local boards of education is essential. As in the U.S., these boards are commonly referred to as school boards. Separate boards are operative for elementary and secondary schools and there also are school boards for each individual school and for the district as a whole. The majority of members of a district school board is elected by the local municipal council and the balance by the parents. The number of district school board members is determined by the local municipality and varies from 5 to 15 depending on the number of individual schools in the district.

The functions of the district school board are clearly specified. They include such activities as:

1. Insuring that all children of compulsory school age have access to a satisfactory educational program;

2. Making arrangements for the education of children who are unable to profit from the regular course of instruction;

3. Insuring that children attending private schools are properly and adequately taught;

4. Giving consent to leave school within the school year to those who have stayed in school beyond compulsory attendance age;

5. Permitting subjects other than those prescribed by the Ministry of Education to be taught;

6. Allowing classes to be unstreamed (not classified by ability and achievement) in Grades 5, 6, and 7 if the majority of parents desire;

7. Preparing the consolidated annual report giving detailed information about the school and its operation.

In addition, the Municipal Authority of Copenhagen, in consultation with the local board, is granted the authority to determine the size and number of school districts to build new schools and establish teaching positions. This authority is not granted to other municipalities and school boards.

In general, boards of education of individual schools have the authority and responsibility for recruiting and interviewing teachers and recommending their employment. Individual school boards have five members plus the headmaster, head teacher, and representatives of teachers and pupils. Some of the five members are elected by the people and some are appointed by the Federal Ministry of Education. Those elected by the people are generally selected by the parent-teacher

association. The teachers and pupils are authorized to participate freely and as equals in all discussion and argumentation of the board but are not permitted to vote.

The district school board includes one member from the board of each of the individual schools. The district board employs the teachers upon recommendation of the board of the individual school. Generally three names are submitted but if the board of the individual school desires to submit one name with unanimous support it may do so. Then by common consent that teacher is employed to teach in that local school. When a teacher is employed by the school district board salary, working conditions and fringe benefits must be cleared with the Ministry of Education.

There are some differences in authority of urban and rural school boards and in their manner of operation. However, these are minor and insignificant as related to salary negotiations for teachers.

Local councils which are essentially municipal bodies also are involved in the operation of the schools. While school boards are not directly under the municipal councils they must coordinate their efforts. Each has areas of well defined activities. However, these activities appear to be more administration than policy formulation. The policy formulation function is centered in the Ministry of Education at the national level and little of it is delegated. The ministry also retains authority to make administrative decisions on all major issues.

A review of the authority of each agency of government in education indicates that while education is less federalized than in some of the other European countries, local jurisdiction is strictly circumscribed and the authorization of expenditures carefully guarded. Within the

established framework of education it is easily apparent that the central government rather than local school boards has primary and major responsibility in negotiation of teachers' salaries.

Historical Background

Historically, salaries of teachers were determined by Parliament after consultation and presentation of needs by the Danmark Laererforening, an association enrolling the large majority of teachers, headteachers, headmasters and the balance of the professional staff. Actually, the method of determining teachers' salaries in Denmark had its basis in an early law passed about 1814. This law proclaimed education of national significance and indicated that the salaries of teachers should be higher than other workers. This proclamation, still observed in its essential details, has assured teachers of a very satisfying social position over the years and has resulted in less militancy in salary negotiation since the teachers' prestige is not as closely related to salaries as in other countries. In the past only a minimum of pressure has been applied regarding teachers' salaries and Parliament generally has responded favorably to the demands presented. Any increase granted was on a share and share alike basis for all civil servants and was on a percentage basis. However, adjustments for the lower paid workers continued to reduce the spread between the maximum and the minimum salaries. Before agreements between the teachers' association and the Ministry of Education came to Parliament it was presented to a board of seven political leaders and six persons from the administration and the teachers' organization. They were required to approve the proposition before it could go to Parliament.

This procedure continued until 1965 when negotiations were authorized by statutes and procedures defined. Decided changes were made in the salary structure in 1969 and 1970 and in 1971 substantial increases in funds to finance the program were required and allocated.

Salary payments are for the position, not for the person or his qualifications. However, certain qualifications are established for the position and an applicant with lesser qualifications cannot secure the position except in an emergency when no one with the proper qualifications is available. Associating the salary with the position has removed any incentive to become better qualified for the particular position but does not preclude securing additional preparation to qualify for better positions. Since the opportunity for advancement in teaching is limited, the incentive to secure higher qualifications is minimal. However, in spite of this fact about 28 percent of the teachers take further training each year and within a five-year period nearly every teacher has taken some additional work.

Recognizing the differences in living costs, differences in local taxes, differences in local wages and similar factors, six geographical areas with salary differentials for teachers have been established. The lower adjustment area is designated as zero and no one is included in this classification so in practice there are only five. The salary adjustments vary from 2½ to 15 percent over the base scale but these percents are not applied uniformly. In the upper income brackets the percents are reduced and in the highest bracket are inapplicable. This is justified on the basis of either availability of supplementary sources of earnings or as a contribution by the highest income group to the King (government).

The geographical areas are not always contiguous and the same percent of adjustment may be found in several different areas of Denmark.

A cost-of-living adjustment goes into effect in the several geographical areas whenever there has been an increase of three percent. Persons in the higher income brackets can arrange to have one percent of the adjustment withheld to be paid later with interest. This appeared to contain some aspects of a tax deferred annuity.

The negotiation responsibility for the government is vested in the Ministry of Pensions and Wages. This ministry has accepted the philosophy embodied in the act of 1814 that salaries of teachers should be slightly higher than other workers on an annual basis. Acceptance of teaching as annual employment has developed based on the actual teaching of 200 days, and accepting without additional compensation supervision of extra-curricular activities, responsibility for summer recreation programs, camping, etc.

Since 1965, teachers, along with three other groups which include all civil servants, negotiate directly with the Ministry of Pensions and Wages. However, it is no longer necessary for all groups to share alike in the percent of salary increases. The group with which the majority of teachers are classified may receive a larger or smaller increase than any of the other three groups. This is also true of personnel in the other bargaining units.

Negotiation Issues

For all practical purposes the global amount of money is the only issue negotiated by the government and the four groups of governmental

employees. This is the major concern of the Ministry of Wages and Pensions. However, within this global amount all major economic aspects of education are encompassed since no salary adjustments, no fringe benefits, no additional teaching positions nor other educational changes requiring fiscal support can be made unless it can be financed within the agreed amount except for a few minor adjustments which can be financed from the Ministry of Education's contingency fund.

In negotiations a list of programs for which money is requested is set forth by each of the civil service groups. These are presented, explained and considered and eventually a lump sum of money is granted to be divided among the four groups as they themselves determine. Each group then decides how the allotted funds which it receives can best be used. Two years ago as the result of negotiations teachers were granted sufficient funds to achieve smaller classes and shorter working hours. Teachers bargain through the Ministry of Education on all noneconomic aspects of education and these items are not negotiated.

Participants in Negotiation

Since school boards and local municipal authorities (councils) have no authority to determine teacher salaries and economic fringe benefits and no responsibility for producing most of the revenue, they are accorded no place in the negotiation process. Thus, only the ministries of the central government are involved in negotiation on the management side. Teachers are part of a larger group of civil servants which also include other professional educational staff.

Professional Staff

Four groups including some teachers and other educational or school employees negotiate on the staff side. These groups include:

1. Higher civil servants including professors, doctors, dentists and workers in the other professions;

2. Teachers and other civil service employees of comparable qualifications;

3. Post Office workers, railway employees and others of comparable qualifications;

4. Statistical, secretarial and clerical employees and other civil service employees of comparable qualifications.

Within each of the above groups there are several associations each with its own representatives. Each organization, regardless of size, has one representative at the bargaining table. The civil service representatives present a united point of view agreed to in advance. Teachers, as well as other groups, may bargain alone with representatives of the Ministry of Pensions and Wages on items of interest only to teachers, if the other parties in their bargaining unit agree.

In addition to the bargaining teams for each of the four units there is an overall negotiation committee present at all meetings. The teachers' association with one of the largest memberships in its group is represented on the overall negotiation committee.

The Ministry of Education is not directly involved in salary negotiations but is heavily involved indirectly. Prior to the first meeting with the Ministry of Pensions and Wages the teachers' union meets with the representatives of the Ministry of Education to discuss its

requests and establish priorities. Also during negotiations the teachers' union maintains continuous contact. Thus, the teachers' union is fully aware of the point of view and the established priorities of the Ministry of Education. The teachers' union has the responsibility of negotiating within an educational framework acceptable to the Ministry of Education.

Government

Since 1969 the Ministry of Pension and Wages has had responsibility for determining the total amount of money which may be granted the four major groups of civil service employees. However, it too must negotiate within the established guidelines. The total amount of money which can be granted is determined by the Prime Minister. This amount is communicated to the Ministry of Pensions and Wages prior to the first negotiation session. Communications continue throughout the negotiation process. The major guideline, known to all negotiators, is that salary adjustments must be held in line with the increased productivity of the country. In recent years this has fluctuated between five and six percent.

Negotiation Procedures--Agreement

The Minister of Education and the Ministry of Finance formulate the groundrules for negotiation procedures and before the first negotiation session the active participants confer with their appropriate governmental agency. The teachers' union is in contact with the Ministry of Education; the Minister of Pensions and Wages with the Prime Minister.

At the initial session the Minister of Pensions and Wages personally convenes the meeting. He considers salary negotiations his most important function and serves as chairman of many of the sessions. His deputy has

primary responsibility for negotiations and his division chiefs are responsible for negotiations with each of the four groups. One division chief and his staff deals only with the group of which teachers are the major component.

The negotiator from the Ministry of Pensions and Wages for the group of which teachers are a part, maintains excellent relations with the several associations within the group including the teachers' union. He is of the opinion that teachers are reasonable in their demands which should be met if possible within the fiscal constraints of government. He is also aware that the teachers have instructed their representatives not to compromise on certain points but to make concessions on others. Actually the total sum agreement is a major stroke of genius in achieving a settlement since once agreement on the total amount is reached, the teacher organization and the Ministry of Education can allocate the money to their priority items regardless of which items were included and which were eliminated in arriving at the total allocated.

In negotiations, teachers are represented by the secretary-general of the teachers' union. He is joined by two other negotiators who comprise the team representing all the civil servants in this unit. Negotiations are simplified by all parties agreeing to use the same data sources. This is acceptable since factual, objective, comprehensive data on cost-of-living, productivity, wage increases both in public and private employment, and related information is provided in Denmark Statistics. This permits the use of the same figures over a period of time, interpreted in the same way to form the basis of negotiations.

If negotiations go well, the Ministry of Pension and Wages after a period of time suggests a settlement for a given global amount for

the four groups of civil servants. If this is accepted by the major overall negotiation committee the responsibility of the Ministry of Pensions and Wages is largely discharged. At this point the difficult task of dividing it equitably between the four groups must be resolved. In earlier settlements an identical percent of salary was granted to each group. However, so much dissatisfaction was generated by this method that it abandoned. In 1971 another plan for allocation was implemented. First, an adjustment was made in the salaries of the lower paid employees, implementing the government's policy of reducing the range between the lowest and highest paid employees. Incidentally, the spread is already narrow (about 1 to 2½) as judged by the spread between the minimum and maximum salaries in other countries. Next, the adjustments of the previous biennium are studied and where adjustments were generous or limited, this is considered in current allocations. Finally, consideration is given to any inequities which appear to exist. After these several adjustments for all groups have been made, the balance is divided in a manner which assures an equal percentage raise for each of the four groups. Each group then determines how its allocation is to be spent.

Within each of the four groups an allocation is made by occupational or related groups. Teachers are given a lump sum allocation which is assigned to specific purposes by the Ministry of Education and the representatives of the teachers' union. It is not necessary for the membership of the teachers' union to approve or ratify the agreement finally or at any point in the negotiation process.

Teachers and other members of the educational staff appear to have a high degree of confidence in their leadership. They inform their

leaders of their desires and trust them to secure as many of them as possible within the constraints of fiscal exigencies, and recognizing that more is obtained in some years than in others.

With the allocation decided, the salary schedule is determined for all civil servants including teachers, headteachers and others. If any teacher believes he is incorrectly placed on the salary schedule he can discuss this with his local education association. If he appears to have a case the local association pursues the issue with the national association which, if it agrees, takes the case to the Ministry of Education. The Ministry of Education has authority to change the classification of teachers and other educational employees whom he believes are improperly placed on the salary schedule.

Once the salary scale has been set it is "frozen" for a period of two years except for cost-of-living and other minor adjustments. No items are renegotiable during that period of time.

Negotiation Procedures--No Agreement

What the exact procedure would be if no agreement could be reached is speculative since in the brief history of negotiations agreement has always been achieved. It is assumed, however, that if no agreement could be reached the overall negotiation committee, the bargaining groups or the individual associations would take their demands directly to the Commission of Parliament dealing with issues of this type. The Ministry of Pensions and Wages also would appear before this commission and explain its point of view. If the Commission agreed that the requests were fair and reasonable they would present them to Parliament and urge their

enactment. If enacted by Parliament, the requests would be granted and the raises mandatory. If the commission rejects the requests or if Parliament fails to enact the necessary legislation, the teachers' union would attempt to bring public pressure for parliamentary action. However, the effectiveness of such action is questionable. It was the consensus (but not universally agreed) that teachers and other civil servants are not authorized to strike. The teachers' union, believing teachers have the authority to strike, is starting to accumulate a strike support fund. Presently, teachers could withhold services--the supervising of extra-curricular and recreational activities or could dismiss school early each day but these actions were considered ineffectual. Fortunately, agreement has always been reached and with the present negotiation climate and the desire of everyone involved to cooperate fully to achieve a settlement, an impasse appears unlikely in the immediate future.

Suggested Changes

It was the consensus of the persons interviewed that the Ministry of Pensions and Wages should assist in the division of the funds among the four negotiating groups. Under the present system the most powerful groups receive what they consider reasonable. With the degree of self-interest involved this can hardly be expected to be completely objective.

Some groups are exempt from the general negotiation process. For example, doctors not employed by the federal government are authorized to negotiate their own scale of pay. This is higher than for persons of equal qualifications whose salary is negotiated in the usual manner, thus creating some antagonism toward this group and their special privilege.

Everyone interviewed was of the opinion that all salaries of public employees should be subject to the same negotiation process.

There is still some negotiation for noneconomic fringe benefits at the local level but much less than before 1969. Almost unanimous agreement was expressed for the concept that local school boards should have more influence in determination of the educational program, working conditions, salaries, etc. How this can be achieved is problematical since no one expressed any desire to have school boards represented to a greater degree at the bargaining table.

The paucity of suggestions for change reflects the fact that negotiations in Denmark are operating in a highly acceptable manner. Everyone interviewed was of the opinion that the process was vastly superior to that which existed prior to 1969 and saw little need for change.

Personal Observations

The relationship between the negotiators from government and from the teachers' association was congenial and the rapport excellent. Each felt he had a specific responsibility to perform and discharged it in a business-like manner. None of them felt a personal emotional involvement in any of the negotiation issues. The representatives from both sides were equally friendly before and after difficult bargaining sessions. A similar situation was noted in the other Scandinavian countries although not to the same degree.

The Ministry of Education operated in the background of the negotiation process. In fact, some searching was required to identify its role. However, this role is extremely important since the Minister

of Education must approve any plan formulated and put forth by the teachers' association.

To an outsider the educational system appears highly centralized, with most of the functions which a board of education performs in the U.S. vested in the National Ministry of Education. Efforts to decentralize have been instituted and some limited progress has been achieved. Programs for involving students and parents and effectuating their suggestions are impressive when judged by the degree of student and parent activities witnessed in the U.S. A board of education for each school brings the school administration closer to the people on areas on which these boards have been granted authority.

The fact that all teachers, rural and urban, elementary and secondary, have essentially the same qualifications has largely eliminated the competition for the best qualified staff. However, competition still exists for the best teachers in terms of performance as judged by the school boards of the individual schools.

Since 1969 all negotiations, public and private, are conducted at the same time. This eliminates stalling in negotiations to ascertain what other groups have received prior to a settlement agreement.

The salary scale for teachers provides increases for 20 years. However, biennial rather than annual increments are granted. School inspectors move to the top of the scale in 10 years.

In line with the government's policy to decrease the spread between minimum and maximum salaries the differential is now approximately 1 to 2½. However, after the payment of all taxes the differential is only about 1 to 1½.

A hurried analysis of teachers' salaries in Denmark would lead to the initial conclusion that teachers have fared rather poorly in negotiations. Their salaries are substantially lower than those in the U.S. while most of the items purchased are nearly the same price. However, further analysis reveals that teachers have fared relatively well since Danish teachers have many services, which are of major financial concern to the U.S. teachers, provided free or at nominal cost by the government. For example, high quality medical and hospital services are provided by government. Disability payment at three times the retirement rate is provided by government as are substantial retirement benefits. If mothers work, as 28 percent of them do, nursery schools are provided at minimum costs, related to the wages of the worker. When the above benefits and others available to teachers are considered, the salary is sufficiently satisfactory to permit Danish teachers to live at a relatively high standard of living, indicating that comparatively they have done relatively well in salary negotiations.

CHAPTER VI

SALARY NEGOTIATIONS IN NORWAY

A brief description of education in Norway facilitates an understanding of organization and procedures in negotiations. This is presented in the following section.

The schools of Norway, while originally established as church-related schools, are now almost completely a public responsibility and salary negotiations include employees of public schools only. The few remaining private school teachers are able to exert little pressure relative to salary increases and no attempt is made to do so. However, the Storting (National Assembly) may vote funds for the support of private schools as a group or for individual schools which they occasionally do.

Actually, an identified need for religious schools as felt in many countries does not exist in Norway. Religion of the National Church of Norway is taught and is actually required to be taught in all public schools. While religion must be taught, compulsory attendance at the sessions is not required and children of parents of different religious affiliations are not required to attend or participate in the school-conducted religious exercises.

Kindergartens are popular and are operated in all population centers. However, unlike most countries, kindergartens are not part of or even linked to the public school system. At the national level they are under the jurisdiction of the Ministry of Family and Consumer Affairs

rather than the Ministry of Church and Education and at the local level are operated independently of other public schools. The operation of the kindergarten program outside the Ministry of Church and Education is not unique. Many other facets of education commonly under the Ministry of Education in other countries are placed in other ministries in Norway.

While education is not as highly centralized as in some of the countries studied, the National Ministry of Church and Education has the primary role in formulation of educational policy and schools must be operated according to these policies.

Education is compulsory in grades one through nine in most of Norway. Elementary schools are administered by local municipal authorities, secondary education by regional county authorities and public colleges by the national government. While municipal authorities are given the authority to operate local schools, they designate local school boards to carry out this function. When school boards have been designated they constitute an autonomous body, relatively independent of municipal control.

In addition to complete support of colleges and universities, the national government provides approximately five-sixths of the cost of the Folk High Schools and typically half the cost of other secondary schools. Elementary schools are supported in amounts varying from 15 to 85 percent depending on the financial ability of the district.

While local school boards have authority to control many of the minor facets of the educational program, they have little control over the salaries of teachers and other professional staff. The authority of each governmental unit in the determination of salaries will be presented later in discussion of salary negotiations.

Historical Background

When Norway became independent in 1814, the Constitution gave no indication of how the education system was to be developed. The King was to distribute the affairs of state amongst the members of government as he saw fit. Under this authority he established the first Department for Ecclesiastical and Educational Affairs which was the origin of the Ministry of Church and Education. As each type of school developed special legislation was enacted, generally supplemented by subsequent enactments as the need arose. As a result, a high degree of specificity of regulations developed which is characteristic of Norway's educational system today.

Originally each local educational authority bargained with its teachers and compensated them according to the agreed salary. As a result, the more affluent communities and those with more desirable characteristics from the teachers' viewpoint were able to secure the services of the better teachers. This was determined by the government to be adverse to the public interest and in the nineteen-sixties provisions were made establishing centralized negotiations for all school districts. Now all schools, urban and rural, have the same academic requirements, typically four years of college work, and all can secure teachers of equal qualifications. The same salary scale now applies throughout Norway except for remote rural areas where higher salaries prevail. The same scale applies to all levels of teaching exclusive of university professors. Thus, an elementary teacher with the same qualifications can receive as high a salary as a teacher at any other level.

Negotiation Issues

Virtually every subject of concern to teachers is negotiated at some level in Norway. The exceptions are certain items specifically vested in the Ministry of Church and Education and the Ministry of Finance. On these items, claims are submitted with explanations but there is no negotiation and no appeal from the decision except that any individual or group who is dissatisfied with the decision may pursue the issue directly with the National Assembly (Storting).

Cost-of-living adjustments as well as salaries are negotiated. Negotiations include not only the percent of adjustment but the date the adjustments are to become operative. Major fringe benefits are negotiated at the national level and minor ones at the local level.

Participants in Negotiation

With municipal boards and their appointed local school authorities deeply involved in educational programs and in some districts in their financing, one would anticipate that they would play a significant role in the salary negotiation process. However, this is not the case. In matters of salaries and cost-of-living adjustments, only the Ministry of Prices and Wages is involved on the management side. In certain other areas, explained in description of the negotiation process, the Ministry of Church and Education and local municipal or school boards do bargain with teachers.

While negotiations involve all civil service employees, they do not merge as one large bargaining group. Rather, each group--for example, the teachers--retain their own identity and bargain on items of interest to

the specific group. All civil service groups bargain at the same time except for special purposes, i.e., for salaries of special teachers.

Professional Staff

As in a number of other countries, supervisors and administrators as well as other professional workers in education are included within the staff group. For negotiation purposes they are a part of a larger unit of civil service employees. There are four separate civil service groups for negotiation purposes.

A number of teacher organizations are currently functioning in Norway. Originally, teachers were organized by the type of school in which they taught, i.e., elementary teachers were in one organization, secondary in another, vocational-technical in a third, etc. With this type of organization there was no competition for membership. Now the organizational structure has changed and fierce competition for membership has developed. This is particularly true for teachers in grades 7-8-9 who are considered fair game for both the elementary and secondary teachers associations. While most of these teachers came from the elementary teacher ranks and continue their affiliation with that organization a growing alertness to the higher prestige of belonging to a secondary school group is luring many into membership in the secondary school teachers association. Under these circumstances it is apparent that each organization is anxious to promise the greatest economic return to its membership and to make as strong a showing in negotiations as possible.

The five existent teacher organizations are:

1. Elementary teachers
2. Gymnasia or secondary teachers

3. Vocational and technical teachers

4. Teacher training teachers

5. University professors

In the negotiation sessions the secondary teachers, teacher training teachers and university professors are in the same negotiation unit. The other two teacher organizations are with separate civil service groups, the one group composed almost wholly of elementary teachers. In the bargaining sessions, five or six members generally represent teachers but on certain occasions only two or three representatives may be designated.

While none of the negotiation units in which teachers are members is affiliated with employees in the private sector, one of the other groups (lower salaried workers) has this type of affiliation. As a result, because of the size of the total membership, their demands command much more attention than the other groups in which teachers have membership.

The number of representatives any organization is permitted at the bargaining table is relatively unimportant since virtually nothing of any consequence is settled by majority vote. Since teachers are usually the largest organization within their bargaining group their representatives typically serve either as chairman or deputy chairman of the overall negotiation committee.

Government

The Ministry of Prices and Wages is the negotiating arm for government. However, this Ministry typically receives consultation and advice from the Ministry of Finance, the Ministry of Church and Education, the Department of Administration and Economics and the Office of the Prime Minister. Thus, the 12 representatives of the Ministry of Prices and

Wages at the bargaining table have already ascertained what are the fiscal constraints and how far they can go in making fiscal concessions to obtain a settlement.

Negotiation Procedures--Agreement

Prior to the first negotiation session the executive board of the teachers associations ascertains what requests the membership desires to have advanced. Suggestions are secured from the local associations of teachers and from the national office. The executive board then decides which of the claims are feasible to advance at the negotiation table. Almost always one of the requests is to adjust salaries of the lowest paid employees. This request meets a willing response from management since it encompasses the unspoken philosophy that the range between the lowest and highest paid positions should be reduced. The other claims are not so easily resolved. In fact, the teachers generally do not expect to secure everything included in their request. Rather, the requests represent their initial bargaining stance from which concessions can be made.

The first meeting of the negotiation group may be attended by as many as 70 individuals. Each organization within the four civil service groups sets forth its claims separately. These claims or requests are presented orally with detailed explanations, amplication and justification submitted in writing. Typically one spokesman presents the case for each of the four groups regardless of the number of organizations represented or the number in membership in the organization.

After the initial presentations, small subcommittees are established to consider each of the requests or related groups of requests. The number of persons on each subcommittee and the organizations they represent are

considered immaterial since they cannot make decisions but only report back to the total group. When the reports of the subcommittees have been completed, the representatives of government meet as one group and the civil service employees as another. If the government representatives accept the reports of the subcommittees to secure a settlement the civil service representatives must accept the results not only as a total group but by each of the individual organizations. Thus, teachers may accept a settlement based on the report of the subcommittees while another group of civil servants within the same bargaining unit may reject it. When one group accepts the settlement there is seldom any change in the basic scale. Only minor adjustments are made in an effort to secure acceptance of the other group(s).

Since each organization may accept or reject the agreement, the number representing each organization is not important and representation is easily resolved. The basic right of each organization to make the decision on its own is deemed extremely important in salary negotiations in Norway.

If the government does not accept the proposals of the subcommittee an effort is made to resolve the differences in the total committee. If no agreement can be reached in the total committee, it may be sent back to the subcommittees. When this is done the points of disagreement are clearly identified and the reasons for disagreement are set forth in detail.

Negotiation Procedures--No Agreement

When subcommittees are unable to resolve the differences, the whole proposition being negotiated is sent to mediation. Unlike the attitude

toward mediation in other countries studied, the Norwegians do not resist it and as a result do not bargain long and hard prior to requesting it. In fact, it is a fair assumption that in several quarters, respondents believed that the determination of the salary scale and other negotiable items by mediation is the preferred process.

Unless agreement is reached with some degree of rapidity, either party may request mediation. The other party must agree to set the request in motion. This requires agreement not only of the major bargaining unit but of the several subgroups or associations representing the civil service employees. Even if the overall committee desired mediation it is not implemented if a single association objects to it.

If all of the components of both sides agree to mediation a state-appointed mediator takes charge and the representatives of both sides present and explain their position and their conception of the differences to be resolved. In mediation, considerable importance is attached to the physical arrangements. Each side is assigned a separate room, a third room is assigned to the mediator and a fourth (large) room is assigned for meetings of the entire negotiation committee. The mediator goes to the room of each group and makes and receives suggestions. Any change in stance of either group is reported in writing to the mediator's room for his analysis and suggestions. The mediator may bring the entire negotiation committee together at any time and as often as he desires but this is usually not done until agreement has been reached on a number of important points.

The mediator has available considerable basic data which assists him to arrive at a settlement. He has at his disposal, in writing, all

the information developed in the attempted negotiation. He is aware of the increase in productivity of the country's workers and realizes that this is a guideline for granting salary increases, i.e., if productivity has increased five percent salaries may be increased five percent without increasing the risk of inflation. He knows what the settlements have been in the private sector since negotiations there typically start two months earlier than those in the public sector. He is aware that civil servants expect to secure larger increases than employees in private industries maintaining that employees in private industry secure wage increases by shifting to other jobs--a possibility available to only a few teachers. He has at his command every type of economic and cost-of-living indices and information on all wage settlements not only in Norway but in the other Scandinavian countries.

With the available information the mediator is typically able to secure agreement within the 14 days allocated for this purpose. If not, he formulates what he considers a fair settlement which is binding on both parties. The government is normally satisfied with the settlement since the mediator typically confers with the Minister of Finance and on some occasions with the Prime Minister. If the civil servants are dissatisfied with the settlement, they may take their case directly to the National Assembly (Storting) which has authority to grant any increase in the salary scale it desires. However, the Storting is not likely to substitute its judgment for that of the mediator and other governmental officials so the teachers' chances of success through appeal to the Storting are not bright.

The other alternative for securing a better settlement is to strike, which is authorized. However, teachers may not strike at any

time but only at times authorized by statutes. This is usually within three months (sometimes shortened to three weeks) of an impasse in salary negotiations. There have been but two strikes of teachers in Norway, in 1954 and in 1968. In the first instance the teachers of Oslo struck but were not supported by the National Organization. In the second instance nursery school teachers were on strike for six weeks for increased salaries, shorter hours and better working conditions. They were supported by the National Organization and the strike was deemed successful. In neither of the two strikes did other civil servants go out on strike in support of the teachers.

The organization composed primarily of elementary teachers does not anticipate a nationwide strike and has no strike fund. If a strike is called it would be a point strike, i.e., a strike at a specific location. Then the teachers employed in the balance of the nation would be assessed a given amount per month to support the striking teachers.

By contrast, the secondary or gymnasia teachers have the financial capacity to conduct an extended strike. They not only have a strike fund of their own in excess of one million dollars but can draw on the strike fund of the bargaining unit of which they are a part. In addition, they own the building in which their offices occupy only a small part, plus a combined hotel and teacher resource center. They envision the possibility of a nationwide strike at some future time and are building financial resources to cope with it.

The teachers in vocational-technical schools have never been on strike. If they were to strike their association could pay their wages for a short time. Although closely associated with the other organizations

in their bargaining unit, they have no assurance that they would receive support from them in any strike.

Salary negotiations in Norway are for a two-year period but in actual practice negotiations are becoming a continuous process. When the major item of salary is settled, an array of minor items remain to be negotiated. Thus, bargaining continues on provisions for insurance, health benefits, etc., with other agencies long after the salary issue is settled.

Negotiations on Non-Salary Matters

Negotiation on matters other than salaries and cost-of-living adjustments shift from the Ministry of Prices and Wages to other groups. Some items are negotiated with the Ministry of Church and Education, such as working hours per week, hours devoted to each subject, curricular changes, placement of groups of teachers on the salary scale, advancement of any total group on the salary scale and higher qualifications for vocational-technical teachers.

Other matters such as procedures and conditions of employing teachers are negotiated with local school district boards. Additional items come as requests to the Minister of Church and Education and the Minister of Finance but are not negotiated. They are either accepted, modified or rejected unilaterally by the governmental official. Included in this category are such items as improvement of the educational program, better programs for handicapped children integrated into the regular school operation, placement of an individual teacher on the salary scale, etc.

Interpretation of Agreement

Occasionally differences of opinion arise regarding the interpretation of the agreements. To resolve these differences a labor court has been established. This court is composed of a chairman, two neutral members and four members nominated by the King in council, two members representing the state and representatives of the main associations or unions. There is also a National Wage Board to which a civil service employee may appeal his placement on the salary scale and related issues. Another national commission deals with upgrading positions, changing regulations related to overtime pay and similar matters. Representatives of the National Government, the associations or unions and neutral members compose this commission.

Suggested Changes

Since negotiations are of relatively recent origin and appear to be working well, few suggestions for changes were offered. The major suggestion, not universally supported, was that all teachers be in one organization and be constituted as one bargaining unit. It was noted that one of the bargaining units was already nearly exclusively composed of teachers (elementary) but other teachers were included in the other bargaining units.

The idea was suggested, but not well supported, that school boards and municipal authorities be represented on the management side in salary negotiations. While discussed frequently no one interviewed was receptive to the implementation of the idea.

Personal Observations

Unlike practice in most countries, Norway still maintains a six-day week in most of its schools. Resistance to a five-day week is particularly strong in the gymnasia where teachers maintain that with the amount of work required by the Ministry of Church and Education a five-day school week is impossible. The Ministry is willing to reduce the days in the school week but not the amount of learning required.

While the Ministry of Church and Education appears well staffed with competent people, it is accorded only a minor rule in salary negotiations and mediation. It does not even have a representative at the bargaining table or a resource person to provide educational information. The Ministry of Prices and Wages and the Ministry of Finance are the government power sources in salary negotiations.

A tremendous difference exists in the size and influence of the teacher organizations. Some are large and powerful such as the organization of elementary teachers, others are smaller but powerful as the gymnasia teachers organization. The technical teachers association is very small with only about 1,500 in membership of the approximately 2,000 working in this area. Their strength comes in their affiliation with private trade unions.

The variation in the percent of support of education from the national government is unexpected in a country as highly centralized as Norway. The reported range in national support from 15 to 85 percent is almost as great as state support of education in the several states in the U.S. Support from regional or local sources is secured by tax levies which the central government mandates. Most of the building and

equipment costs are the responsibility of the local government. Considering the fiscal responsibility they carry municipalities and school boards have only minimal authority. This is related largely to school buildings, purchase of equipment, compensation for extra jobs, etc.

The pay scale for local employees and officers is much less than the national scale, although the same negotiation procedure is used in developing the schedules. This has created some problems since some school personnel, e.g., secretaries, clerks and similar classifications are on the local scale while other school employees are on the national scale.

In public employment the salary for all persons with the same qualifications and experience is the same. There is no financial recognition of the fact that some positions are much more demanding than others. This appears to make a career in education less desirable than in other fields since teaching requires a six-day week with accompanying home work in correction of papers, construction of tests, lesson plans, extra-curricular assignments, etc.

With taxes in the upper brackets extremely high, salary negotiations with teachers is becoming more difficult. Given a comparable percentage increase those at the upper income levels may receive little or no increase <u>after taxes</u>. This is pushing them to requesting more fringe benefits whereas the lower income group need percentage wage increases to cope with inflation and changing standards of living. While an "after taxes" salary adjustment could alleviate this problem, it is not contemplated at the present time.

CHAPTER VII

SALARY NEGOTIATIONS IN SWEDEN

In many respects Sweden was an ideal place to study centralized negotiation of teachers' salaries. Here negotiations are nationwide and officials are well experienced in the processes of negotiations. The procedures are well organized and formalized. When these data were being collected, a massive nationwide strike involving all public servants including teachers, policemen and army personnel had just been terminated with the King (and Parliament) ordering the workers back on their jobs. Most of the strike issues were unresolved and were still subject to heated discussion.

For a clearer understanding of the framework within which negotiations are conducted, a brief review of several facets of the educational system is presented. This review is not directed toward comprehensiveness but to explain a number of salient points of background which are related to negotiations.

The major aim of the Swedish School System is the achievement of universal free public education. To this end, education is not only free and without charge for tuition in the compulsory school program, grades 1-9 inclusive, but also in vocational and technical schools, county colleges, secondary and higher secondary schools. Further education at colleges and universities also is free with state-provided study grants to cover the cost of room and board. Excellent, comprehensive programs

are also provided free for all types of handicapped children--blind, deaf, emotionally disturbed, mentally retarded, etc. Meals are furnished free of charge in the compulsory school program and in secondary, vocational and technical and comparable schools. Textbooks are either free or obtainable on a loan basis in most schools and school supplies are provided by the municipalities without charge.

Study grants include money (allowances) for travel and lodging as well as for tuition. These allowances are granted without a means test up to a certain amount with payments reduced but not eliminated at the higher income levels.

With so much of education provided free and with other excellent quality public services provided, taxes are understandably high and any salary increases granted in negotiations must be scrutinized carefully lest the increases fail to provide an after taxes increase for the better paid teachers and force taxes to a confiscatory level. As in all other countries studied, the people think taxes are too high but the Swedish people have more justification for this judgment than most.

As in other Scandinavian countries, teachers, for the most part, are civil service employees of the national government. In salary negotiations teachers do not constitute one unit but are in several different bargaining units, categorized with other civil service employees of equal qualifications. The organizational composition and size of each bargaining unit will be described in the section, Participants in Negotiation.

Historical Background

The foundation for centralized salary negotiations in Sweden was laid in 1937 when the Swedish Central Organization of Salaried Employees was formed. Membership in this organization includes civil servants at both the national and municipal levels. In the same year a proclamation was issued giving civil service employees the right to submit their requests and views to governmental authorities. The format for setting forth their views was clearly defined.

In 1944 the organization of civil servants joined with workers from the private sector to form a powerful union of some 175,000 members. In 1947 the civil service employees concluded their first real agreement and this date is generally considered the birthday of negotiations for civil service employees including teachers. In 1950 the Ministry of Civil Service Affairs was established to deal with all questions of salaries and conditions of employment for all civil service employees. This agency was superseded in 1965 by the Government Employee Negotiation Board which now is designated as the National Collective Bargaining Office, currently the official negotiating body for the government. An entirely new code for salary negotiations for civil service employees became effective in 1966 with many former regulations embodied in the act. The new law provides for negotiations and some limited aspects of mediation. The act had its first trial during that year and resulted in very arduous negotiations and, in the final stages, mediation. The negotiations indicated clearly that the organizations of civil service employees were not geared to the new negotiation procedures and in 1967 the largest of the organizations, Central Organization of Salaried Employees, Civil

Servant Section (TCO-S) reorganized to adapt itself to the new procedures. In this adaptation economic preparedness for impasse negotiation and conflict (strike and lockouts) were extended. This action came none too soon since 1971 witnessed a major nationwide strike of all public employees.

Negotiation Issues

In the broadest sense the present law could be described as a "negotiate everything" act. Some items are negotiated with the various fiscal agencies of government and some with the Ministry of Education. However, items of negotiations specifically listed are: salaries, salary structure, allocation of posts to salary grades, fees (remuneration), supplementary allowances, including extra compensation by geographical areas, social benefits (sick pay, free medical attention, medicine, etc.), extent of the working week, paid holidays, traveling allowances and pensions. A number of other items are listed as subjects for consultation but to be decided unilaterally by competent governmental authorities. However, where consultation ends and negotiation begins is not always clear and joint agreement on a number of the following items is frequently achieved: Organization of service, creation of posts, promotions, educational qualifications and other requirements, duties of offices, direction and distribution of work, office hours, leaves of absence and disciplinary punishment. However, the process of bargaining on the above items is not termed negotiation since in a strict sense the Ministry of Education or its designated representative, the National Board of Education, may not agree with what is proposed and reject it outright. When this occurs the civil service employees, in this case teachers,

must accept the decisions. On these matters there is no mediation and no authority to strike.

Participants in Negotiation

The participants in negotiation include representatives of civil service employees with whom teachers are classified and representatives of governmental agencies. Local municipal boards or local boards of education do not participate in negotiations on teachers' salary scales and conditions of employment.

Professional Staff

This is in reality the civil service employees side since teachers and professional staff in education constitute only about 90,000 of the over 218,000 civil service employees with whom they are involved in negotiations at the national level. Teachers belong to three of the four different organizations which bargain at the national level.

1. Classroom teachers - TCO-S
2. Secondary teachers - SACO
3. Teacher college and university staff - SR

In addition, teachers of handicrafts and skilled trades are employees of municipalities and bargain as part of the civil service employees group at the municipal level. Thus, teachers are part of and bargain with three of the four civil service employees groups at the national level and with one of several groups at the municipal level. The names of the organizations with which teachers are affiliated at the national level and their total membership are given below.

TCO-S = Central Organization of Salaried Employees in Sweden, Civil Servant Section; approximate membership 160,000

SACO = Swedish Confederation of Professional Associations; approximate membership 40,000

SR = National Federation of Government Employees; approximate membership 18,000

TCO-S, the largest of the above organizations by far, is affiliated with a parent organization, TCO, which includes 23 different associations and 640,000 members. The total membership includes employees in the private as well as the public sector.

Government

Negotiations for the government are conducted by the National Collective Bargaining Office placed in the Ministry of Finance. This office consults continuously with the Parliamentary Pay Delegation regarding the views of Parliament on any proposed salary scale or changes in conditions of employment. The Parliamentary Pay Delegation does not participate in any of the negotiation sessions. The National Collective Bargaining Office must also maintain constant contact with authorities in all governmental administration, particularly in the fiscal realm. It also is particularly important that the office maintain close contact with the Ministry of Education since all educational expenditures, including those negotiated, become part of the Ministry's budget and must be explained and defended by it before Parliament to secure the allocation of the funds.

In negotiations the Minister of Education relies on his administrative arm, the State Board of Education, to carry out his functions. He, as is true of the other ministers, serves as a formulator of policy and other agencies responsible to him execute his policies. Because of this manner of operation, the ministries are quite small and the executing agencies large.

Negotiation Procedures--Agreement Reached

With numerous and diversified civil service organizations included in the major negotiation unit for the staff, it is essential that the interests of each association be safeguarded. This is achieved in part by permitting each group or association to formulate its own proposals. For example, the teachers in TCO-S determine what proposals they desire to put forward and prepare explanatory material relevant to their requests. These proposals are submitted to TCO-S for inclusion and consolidation with the requests of other associations. TCO-S nearly always incorporates the requests submitted but has authority to exclude any of the items it deems inappropriate. On one occasion a request of the teachers association was not put forward by TCO-S and considerable resentment among teachers was generated.

The demands of each of the four major negotiation units are considered one by one with all representatives present. Sessions of the smaller interest groups with governmental officials also are held. For example, the teachers in TCO-S meet with the National Collective Bargaining Office on items of particular interest to them.

The number of representatives which the civil service employees have is not considered important and may vary from time to time. Usually 12 representatives are present. The National Collective Bargaining Office, representing government, has one chief negotiator and two or three assistants, although here too little significance is attached to the number. This is true because consensus is usually reached by consideration and discussion of all issues and not by majority vote.

The four national negotiation groups put forward a substantial variety of demands submitted by the several associations. Frequently,

full accord is not achieved among the groups as to what constitutes a satisfactory basis for settlement. As a result, agreement may be reached with one of the four bargaining units and not with the others. However, the different groups tend to support each other and even employees of private industry who are members of TCO support the salary demands of members of TCO-S of which teachers are the major component. However, their support is largely vocal.

When the four main units have reached agreement with the National Collective Bargaining Office the balance of negotiations is automatic since proposals have been cleared with higher governmental officials each step of the way. The teachers have been in constant contact with the Ministry of Education and the other components of the bargaining units with their respective associations and/or governmental agencies. The National Collective Bargaining Office has cleared tentative proposals as well as their financing with all governmental agencies involved in the several aspects of negotiation. The Ministry of the Treasury must provide assurance that the required funds will be available before any final agreement is reached.

The funds for salary increases for teachers and other staff members are incorporated in the budget of the Ministry of Education. When this budget is submitted for approval it is supported by the Ministry of Finance, and accepted by the Parliament Pay Delegation who submits it to Parliament with recommendations for passage. When accepted by Parliament funds are appropriated and taxes are levied to produce the necessary revenue.

When salary agreements have been reached at the national level, municipal negotiations are then concluded. Negotiations at the local level are relatively easy since national pay scales and settlements are adopted with minor variations. Thus, teachers for handicrafts and skilled trade teachers have relatively easy salary negotiations since their locally determined wage scales are based on the national settlements.

Negotiation Procedures--Lack of Agreement

When it is impossible to arrive at an agreement by negotiation, no satisfactory procedure is established by statutes to resolve the impasse. Mediation of a sort is provided but from the employees point of view the procedure lacks the objectivity and impartiality essential to mediation. Under the current system a committee of mediators appointed by the King proposes the salary adjustments to be enacted. However, since the members are appointed by the King they understandably hold the view of government and their proposals are suspect and fail to receive support of either the teachers or other civil service employees.

Negotiation break-downs may result in either a lock-out by employers or a strike by employees. Statutes authorize a strike under certain conditions at certain times. On an earlier occasion only a small active segment of civil service employees supported a strike but it proceeded nevertheless. In 1971 all major civil service employees supported the strike and it continued until the King ordered the employees back to work. Employees in the private sector were sympathetic to the demands of the civil servants but did not join in the strike.

All associations and unions now are attempting to build a substantial conflict (strike) fund but most of them have not yet been able

to do so. Under present circumstances, only selective strikes or ones of short duration are possible.

No one interviewed is convinced that a strike is the proper solution for settlement of an impasse. It is costly to the government, to the associations and to the employees. To date it has been a relatively ineffective instrument for resolution of issues.

Suggested Changes

In spite of all the difficulties encountered in salary negotiations in Sweden, a high degree of satisfaction with the present system was expressed. Only three major changes were suggested. A number of the respondents believed the system must be changed to provide a means for the individual associations to express themselves more fully and bargain more directly. This does not mean that the respondents favored bargaining by occupational groups since they were convinced that their strength was in the present grouping. Rather, they hoped for greater atonomy of the individual association within the bargaining unit.

A second suggested change was to negotiate for salary adjustments after taxes. A number of the respondents were of the opinion that it was futile and frustrating for higher salaried workers to go through hard bargaining sessions only to find that most or even all of the increases granted was consumed by taxes. With the current high taxes this is a constant concern in negotiations.

The third suggestion of major concern to all respondents was to identify a satisfactory method of arriving at a fair settlement by mediation and arbitration and to enact it into law. How this could be done was not clear but that it must be done was imperative. The most fruitful

suggestion in this direction was to analyze the procedures in countries having the most satisfactory plans of mediation and arbitration and adopt the best features of each plan.

Personal Observations

In Sweden the parent organizations are much stronger than in the U.S. and through their national organization called "Home and School" make their voice felt in educational matters, particularly in Parliament. Students, too, are well organized having a national committee and local associations in practically every school. Their major interest is the improvement of education, particularly in legislative matters.

Nearly all of the teachers are included in two organizations--TCO-S with 65,000 teacher-members and SACO with 27,000 teacher-members. There is little competition for members and the associations cooperate on most matters including negotiations. Within the teacher associations there are both some very militant and some extremely conservative teacher units. It was reported that the level of militancy among teachers had increased sharply in recent years. This militancy is directed largely toward receiving greater fiscal rewards through increased salaries and fringe benefits.

However, teachers are not united in attempts to enforce their demands. If one group of teachers goes on strike, for example, the elementary teachers in TCO-S, the secondary teachers in SACO continue to work. If the secondary teachers go on strike, the elementary teachers continue to work. Persons in the private sector cannot be expected to join teachers or civil service employees in striking. This is true in part

because teachers and other civil servants already generally have slightly better fringe benefits than workers in the private sector and strike action is an effort to achieve even more of a differential.

The major difficulties in negotiations stem from two sources: the large number who must receive any benefit granted and the scarcity of funds due to the effort to avoid higher taxes. When even modest benefits are granted to teachers their extension to all other civil servants results in very substantial cost increases. It was the belief of many respondents that with current high tax rates, additional revenue of substantial dimensions was not within the realm of fiscal possibility. Thus, the government representatives operated within serious fiscal constraints. With the current level of taxes, teachers and other civil service employees tended to press for greater fringe benefits such as improved life insurance, retirement benefits, illness payments, medical coverage, etc., rather than salary increases. Actually, the major issue in the 1971 strike was not salaries but the length of the work period prior to collecting pensions. The government desired to increase the time by two years, a proposition resisted vigorously by civil servants and other employees.

The range between minimum and maximum salaries is very narrow for teachers as for other public employees. Higher taxes in the upper brackets further decrease the range in take-home pay. However, better qualified teachers do receive higher salaries than other teachers. These are usually the superior teachers since they typically receive the study grants which permits them to pursue additional training on which higher salaries are based. Headmasters are on a higher salary scale than

teachers and typically enjoy a high degree of job security since they are employed in the school on a six-year contract.

While it is difficult to generalize from a limited number of specialized contacts, one cannot help but be impressed with the high quality and dedication of civil service employees in Sweden. With the efficiency and graciousness exhibited it is easy to envision the expectation and acceptance of more and better governmental services. As a result, the government carries more and more responsibility for the well-being of the people and of necessity has taken a large proportion of their earnings in taxes. In the meantime the demand for more and better supported government services continues while the clamor for lower taxes mounts. The sum total of these factors spell increased difficulty in negotiations of salaries and other fringe benefits for teachers and other civil service employees in the years ahead.

CHAPTER VIII

IMPLICATIONS OF CENTRALIZED NEGOTIATION FOR THE U.S.

The major significance of any study of centralized negotiations in Europe is to be found in the ideas and concepts advanced to those charged with the determination of salaries and fringe benefits, i.e., to negotiators in the U.S. Although beset with problems and difficulties of major dimensions, centralized negotiation does appear to provide some hope for those currently disillusioned and frustrated with negotiations by individual school districts in the U.S.

In the following discussion only implications for statewide negotiations are presented. This does not imply opposition to regionalism in collective negotiations. Actually, regional negotiations may be the next logical step. However, European negotiations appear to relate much more closely to statewide negotiations which are preferred since they eliminate a number of regional steps to the same ultimate solution.

It must be kept in mind that many potential approaches to statewide negotiations exist. Those suggested in this report are only a few of many possibilities. In all probability, no single pattern of centralized negotiation will be applicable in all states. This report attempts only to describe one possible pattern of operation from which each state may formulate variations fitted to its own philosophy and organizational structure. In considering the potential for centralized negotiations in the U.S., only educational negotiations are presented since this was the focal emphasis of the study.

In this report, educational negotiations are viewed within two financial support patterns:

1. Less than 50 percent of the revenue from state sources
2. 50 percent or more of the revenue from state sources

The first category will include most of the states. The second encompasses full state funding of all costs or full state funding of all salaries for teachers. The distinguishing feature in negotiations between categories 1 and 2 above is the composition of the management team. An identification of the management team under each situation is described in the section of the report entitled "Participants in Negotiation."

Issues

The judgment of persons long and intimately associated with centralized negotiations of salaries indicated that it is a serious error to circumscribe the area of negotiation too narrowly. Based on interviews and analysis of centralized negotiations in the six countries studied, it is suggested that all issues with an economic impact be deemed proper items for negotiations. These include salaries, cost-of-living adjustments, cost of innovative programs, compensatory education, smaller class size and any other items which will increase costs. Only those programs which can be achieved without a change in the school budget would be considered non-negotiable.

The rationale for bargaining on all matters having an economic impact is easily apparent. With high federal and, in many instances, high state income taxes for salaried workers, teachers often prefer more

fringe benefits, including lighter teaching loads, more secretarial services, etc., to higher salaries. The relative desirability of alternatives can be considered and sound decisions made only if the negotiators are authorized to bargain on all economic issues. Assuming the generally accepted fiscal and tax constraints, unilateral decisions on educational issues which increase expenditures for educational purposes have a direct and substantial influence on the size of salary adjustments.

To simplify and facilitate negotiations it is suggested that a comprehensive salary scale, which encompasses all professional positions, be established at the outset. Salaries of professional staff other than teachers should be related directly by law to those of teachers to assure a firm "community of interest" of all staff participants. The same items require settlement whether the revenue is provided largely by the local district or the state since the issues in negotiations remain the same regardless of the mix of local and state support.

Participants in Negotiations

The first consideration in determining participation in negotiations is to identify the parties of personal interest and to guarantee expertise in participants or resource personnel. This implies that participants who understand good educational practices must be deeply involved at all points. It requires not only that staff be represented but, because they are personally involved, that state departments of education and parents also be included.

It is suggested that the state parent-teacher association designate a parent and that the chief state school official and the state director of the revenue department each designate a member to serve as

resource persons in negotiations. None of these would represent either side and their responsibility would be largely information-giving and focusing attention on provision of high quality education and its cost. Arrangements should also be made to secure suggestions from students on any proposed major changes directly affecting them.

While the primary purpose of negotiations is the assurance of good education, fiscal considerations also are essential and it is evident that school board members and state departments of revenue officials are required to provide a neat balance of educational and fiscal expertise essential for this process. School board representatives would be the negotiators and an employee of the department of revenue would serve as a resource person. With this combination of representatives, educational and fiscal, it is clear that educational issues which have no economic impact should be studiously avoided in negotiations and be settled in the arena of educational expertise.

If the principle of accountability is accepted, the agencies which represent management would vary, depending on the source of major support. The staff representation would be identical regardless of the support pattern as would the resource people. The negotiators for the staff, the school boards and government would be selected at the discretion of the respective sides. No limitation on the selection should be permitted. Each side should be entitled to the same number of negotiators. It is suggested that seven voting representatives be appointed for each side.

Professional Staff

While the European system of placing all professional workers in education on the same side of the bargaining table would be extremely

difficult in the U.S., the advantages are worth a major effort. It would correct one of the most glaring and grievious deficiencies in the U.S. system of negotiations and would help heal present wounds in the educational system and eliminate the infliction of new ones. This system goes far in achieving good cooperation of all staff members, both in negotiations and after the settlement.

However, it should be recognized that having all professional workers on the same side of the bargaining table is not absolutely essential and statewide negotiations are possible with the superintendent and principals serving on the management team. However, it is strongly urged that all members of the professional educational staff-superintendents, principals supervisors, counselors, teachers and others--sit on the same side of the table and negotiate as a unit. It is further suggested that no effort be made to secure proportionate representation of the several groups and that issues be decided by agreement and not by majority vote as explained under "Negotiation Procedures." Proposed representation of the staff team to assure the expression of varied points of view would be:

State Association of Chief School Officers	1
State Association of H. S. and Junior H. S. Principals	1
State Association of Elementary Principals	1
Teacher Organizations*	4
Total Staff Team	7

It is proposed that statewide negotiations be conducted initially for elementary and secondary schools only. As more experience is gained, centralized negotiation of salaries at all instructional levels could be attempted. This would probably involve somewhat different staff

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*Including all professional employees except administrators, i.e., except superintendents and principals.

representation than is here envisioned. In addition to serving in a resource capacity, the state department of education should serve as secretariat to the total negotiation committee. Counsel should be available for the staff and may be designated as spokesman for the group and participate in all discussions. However, the counsel should not be empowered to vote. He should be selected by agreement of the entire professional staff team.

Management--Less than 50 Percent State Funding

Whether the major funds are allotted from local or state sources would be determined by calculations of the statewide average of school support. When local districts pay the major share of the cost of education, representatives of local school boards should have the strongest voice on the management team. In this situation, it is suggested that the state school board association have five members and the state have two members on the management team. When the state pays 50 percent or more of the costs, it is suggested the division between the local representatives, i.e., the state school boards association and the state be changed. Alternative I would have five representatives from the state and two from the state school boards association. Alternative II (explained later) would have broadly proportional representation varying with the percent paid by the state.

The representatives from the state school boards association could be the officers of that organization. However, excellent officers are not necessarily excellent negotiators so other approaches should be considered for selection of school board representatives. A practical suggestion

would be to have the officers of the state association designate their representatives for negotiation. This would permit them to designate any officers of the association or others particularly well qualified as negotiators. In most instances the executive secretary of the state school boards association would be named as one of the representatives.

The state's representatives should be appointed by the governor and confirmed by the senate. Suggested appointment would include chairman of the education committee of the senate or assembly,* chairman of the senate or assembly finance committee* or any other legislator or state official. The counsel for the state school boards association or other legal counsel for the management team should attend the negotiation sessions and confer with management as desired. He would not be entitled to vote but could be designated as spokesman for management and participate in all discussions. Seven voting representatives plus the counsel would constitute the management team.

Management--Major State Funding

If 50 percent or more of school revenue is provided by the state, including full state funding, it is suggested that the state be given major voice on the management team--up to five of the seven representatives of the bargaining team. All members would be appointed by the governor and confirmed by the senate. Possibilities for appointment would be additional members from the educational or finance committees, or other members of the legislature. It is suggested that the counsel be designated by the total management team who under normal circumstances would be a representative of the attorney-general's office.

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*By whatever name this function is designated.

If it is decided that the abrupt change from major school board control to major state control suggested as Alternative I should be avoided, a more gradual approach could be achieved with no loss in the effectiveness of the negotiation process. The Alternative II mix of state school board association members and state members is suggested below:

Percent of Revenue from State Sources	State School Board Association Representatives	State Representatives
Up to 50 Percent	5 members	2 members
Between 50 and 60 Percent	4 members	3 members
Between 60 and 70 Percent	3 members	4 members
70 Percent or More	2 members	5 members

Even with full state funding it seems desirable to have state school board association representation since it brings a higher expertise to educational considerations than is usually found in legislative halls. School board representation, even with full state funding, is in line with suggestions received from respondents in a number of countries where full funding or nearly full funding by the central government is in operation. Although the number of representatives from the school board association and state appointments would vary according to the pattern of state support the total number of voting members on the management team would be constant--seven in number at all points.

Students

While it is impractical to have students in attendance as resource persons at the negotiation sessions since they would be held while schools are is session, arrangements should be made to secure their points of view and have them presented on all major issues. This could be done by

requesting state organization of student councils to provide a written statement of their stand on all major issues. The responsibility for securing and presenting the statements should be placed on the parent member serving as a resource person to the negotiation committee.

Negotiation Procedures

To be assured that negotiations will move ahead in an orderly manner, it is necessary to have a full contingent of representatives in attendance at all meetings. It is suggested that each side appoint a number of alternates who may be designated by the respective chairmen to represent absent members. The alternates should be entitled to all privileges of the absent members including full power to discuss and vote on all issues.

In addition to the usual contingent of representatives and counsel, it is deemed highly important to have full representation of resource persons on the negotiation committee at all times. Full representation could be achieved by appointment of alternates responsible for attending any sessions which the duly elected representatives are unable to attend.

It is suggested that prior to the first meeting of the total negotiation committee which is a combination of management and staff representatives, each side meet independently and select a chairman. The chairman selected should be acceptable to all subgroups within each negotiation unit and not be elected by majority vote. In this action, as in all other phases of negotiation, agreement must be reached. If agreement cannot be achieved at any point, negotiations are deemed to have failed and mediation is initiated. Each group also selects a spokesman who may or may not be the chairman. Only one point of view may be

expressed in the total negotiation committee sessions although different spokesmen may be designated to present different parts of the requests or speak to different issues. All requests to be presented must be agreed to by the staff team prior to the first meeting of the total negotiation committee. It is essential that the requests be prepared in written form with full written explanation and documentation and handed to the members of the management team at the first meeting. The prepared written material becomes the basis of the oral report made at the first meeting of the total negotiation committee. The chairman of the staff side and of the management side should alternate as chairman of the total negotiation committee.

It is further suggested that the management team, in addition to selection of a chairman and spokesman prior to the first meeting, consult appropriate governmental and other agencies and secure information which will assist them in arriving at a global amount of expenditure increases for salaries and other benefits which are considered reasonable and supportable.

At the first meeting of the total negotiation committee, staff representatives present their requests explaining them in detail and presenting justification for them. Any representative from either side may ask questions and make comments. It is assumed that all staff representatives will support the requests and speak in their support as appropriate. However, the merits of the requests are not debated at the first meeting and all questions asked by management should be directed toward securing more information. After the presentation the meeting is adjourned to permit management to analyze the requests and estimate the costs. It is

suggested that management either accepts the proposal as reasonable or prepares a counter proposal with full explanation and documentation which is then presented at the following meeting.

It is anticipated that with the presentation of the counter proposal full scale negotiations will ensue. It is suggested that preliminary negotiations be conducted by subcommittees selected from the staff and management sides and that tentative agreements be returned to the staff and the management sides for approval. While in practice the tentative agreements of the subcommittees may be accepted, there should be no expectancy that this will be the case. Decisions should be made by the staff and management sides with full agreement by the representatives of each of the associations or agencies represented within each group. If either the staff or management fails to agree with the subcommittee, the issue is brought to the total negotiation committee for consideration and suggestions.

To enhance the possibility of arriving at a settlement in negotiations, it is essential that each party be able to make its best offer without fear of being placed at a disadvantage at some future time. This can be accomplished only if each party has the privilege of making an offer "without prejudice." This type of offer stands only if accepted in full settlement. If it does not achieve full settlement it is withdrawn and has the status of never having been made. Neither party is privileged to refer to the offer at any point in future negotiations.

If agreement cannot be reached in a reasonable length of time, explained later under "calendar," mediation should be provided. It is suggested that the mediator be selected by the chairman of management,

the chairman of the staff team and a third person selected by them. It is anticipated that agreement on the mediator can be reached but if not he should be selected by the impartial third member of the selection committee. The mediator's function is to secure agreement of the two sides. He may do this by any method or procedure he deems appropriate, meeting with individuals, groups, joint sessions, etc. He may request new position statements from one or both parties. No limitations should be placed on him except a time constraint, explained later.

If mediation is unsuccessful or if the time allotted for mediation has expired, an impasse is declared and advisory arbitration is required. It is suggested that a three-man arbitration panel be established whose function is to arrive at a fair and just settlement without regard to the proposals either party has offered or agreed to accept previously. Because of the extensive authority placed in the arbitration panel, every effort must be made to assure its neutrality and objectivity. While any number of possible appointment procedures is available and different procedures may be most appropriate in different states, one suggestion is selection of three persons acceptable to both the professional staff and management. A list of potential arbitrators could be prepared by the resource persons on the negotiation panel but the choice should not be limited to such a list. While no restrictions should be placed on the persons to be appointed, they obviously should not be associated with management, professional educational staff, or government.

If either side refuses to accept the decision of the arbitration panel, the issues must be returned to negotiation for further action. If the issues cannot be satisfactorily resolved, binding arbitration may be

the only alternative. However, it is recommended that advisory arbitration be instituted in the initial trial of centralized negotiation.

When agreement is achieved in negotiation, mediation or advisory arbitration, the representatives of management, staff and government must be given full authority to conclude an effective and legal settlement without ratification of any type. To require formal ratification of agreements immeasurably increases the difficulty of achieving a successful settlement by negotiations, mediation or advisory arbitration. However, any group or agency should be empowered to call a meeting or meetings of its members or representatives to consider a tentative agreement and secure reactions.

Calendar

To guarantee that negotiations do not stretch out indeterminately, it is suggested that a definite calendar be established. It is proposed that negotiations be limited to three months with one additional month for mediation and another for advisory arbitration. If negotiations are started October 1, they then would be completed by the end of December. Mediation would be completed in January and arbitration by the end of February. This calendar would settle salary and fringe benefits issues in ample time to draw and issue contracts by March 15, as required by continuing contract laws in several states, assuming the decision of the advisory arbitration panel is accepted.

It is suggested that contractual agreements be negotiated for a two-year period. Three years is unsatisfactory in this period of rapid economic change and one-year contracts involve school systems, staff and

governmental officials in almost constant negotiations. The sooner the vital problems of salaries, fringe benefits, and other items having an economic impact are settled, the sooner full attention can be devoted to the more vital area of educational improvement. Even within a two-year period, cost-of-living changes are likely to be drastic and provision must be made to adjust salaries in line with cost-of-living when it changes by more than an agreed percentage. This item should be negotiable and settled during the bargaining sessions. In fairness, cost-of-living adjustments should be made retroactive so the salaries agreed upon will have a constant purchasing power through the contract period.

Labor Court

Since some interpretation of the contractual agreement, including the proper placement of members of the staff on the salary scale, is often necessary, it is suggested that a labor court be established with full authority to interpret all parts of the agreement. The interpretations of the labor court should be final except for an appeal to courts of law.

It is suggested that the labor court be composed of the chairman of the staff team, the chairman of management, and the three resource persons from the total negotiation committee. The chairman of the labor court should be selected from among the five members. Members of the labor court should have access to legal counsel from both the legal advisor to the department of education and the office of the attorney general. It is to be understood that staff members are to exhaust all internal grievance procedures within the district prior to any appeal to the labor court.

Cost of Negotiation

It is suggested that the state establish a scale for payment for all representatives and officials engaged in negotiation and pay all costs. When representatives are already on some state or agency payroll, it will be reimbursed at the specified rate. Payment by the state will guarantee that all parties will be treated comparably and be basically on the same financial footing. This suggestion, if adopted, would eliminate one of the deserved criticisms of negotiation in the U.S. where teachers' tax dollars assist in payment of the costs of negotiations of school boards which are supported by public funds while paying their own costs through membership dues. No organization should be limited in utilizing its research, legal and other resources.

Potential of Centralized Negotiation

No one even casually acquainted with centralized negotiations of staff salaries in foreign countries would predict instant success of such a system in the U.S.; one realistically must recognize that centralized negotiations encounter major problems even where it is the "law of the land" and where years of experience prevail. To expect less difficulties and fewer problems in the U.S. would be naive indeed. Yet, with its many shortcomings centralized negotiations does appear to have the potential of being a superior method for determination of staff salaries and fringe benefits in education. It appears worth a sound trial in at least some states.

In the first trial of centralized negotiations in a state in the U.S., it is strongly urged that there be established a state-adopted

salary scale and fringe benefits which local teachers associations and school districts would be authorized to accept or reject. If rejected, school districts could bargain with their staff in their individual district as in earlier years. Hopefully, statewide settlements which may be accepted or rejected in the local districts could be reached without mediation and arbitration, permitting localities ample time for local negotiations. This approach to negotiations would permit the development of a plan fitted to the needs of individual districts of the state before it would become effective statewide. It is assumed that after a trial period, statewide negotiated settlements would be binding on all school districts and their professional staff. Adopting an interim trial procedure would assure that centralized negotiations would have the best opportunity of becoming a more effective and efficient method of salary and fringe benefit determination in the U.S.